

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P. O. Box 749, Denver, Colorado 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

454' FNL, 1154' FWL (NW $\frac{1}{4}$ NW $\frac{1}{4}$) Section 11, T9S, R21E

At proposed prod. zone

Same As Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately Ten (10) Miles South/Southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

454'

16. NO. OF ACRES IN LEASE

800

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1100'±

19. PROPOSED DEPTH

6625' WSTC

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4856' GR

22. APPROX. DATE WORK WILL START*

May 10, 1992

23.

(ALL NEW)

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------|
| 12-1/4" | 8-5/8" K-55 | 24.0# | 0- 250' | 180 sx Circ. to Surface * |
| 7-7/8" | 5-1/2" K-55 | 17.0# | 0-6625' | 545 sx Circ. to Surface * |

* Cement volumes may change due to hole size.
Calculate from Caliper log.

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF
OIL, GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #174, Federal Lease # UTU-0141315. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond # CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNER

Charles E. Mowry
Charles E. Mowry

TITLE

District Drilling Manager

DATE

Jan. 30, 1992

(This space for Federal or State office use)

PERMIT NO.

43-047-30193

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE: 2-18-92

BY: *Matthew*

WELL SPACING: 649-2-3

*See Instructions On Reverse Side

T9S, R21E, S.L.B.&M.

N89°46'20"W - 2642.77' (Meas.)

N89°52'W - 39.98 (G.L.O.)

Set Stone

NBU #174

Elev. Ungraded Ground - 4856'

**Set Stone,
(Not Marked)
5/8" Rebar**

11

NO°01'W - (G.L.O.)

N89°50'W - 79.90 (G.L.O.)

▲ = SECTION CORNERS LOCATED.

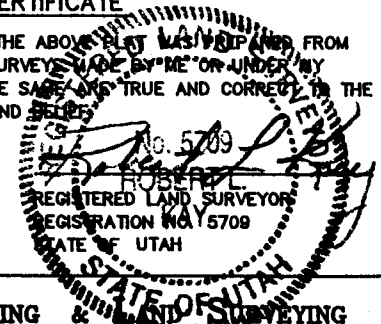
BASIS OF ELEVATION

A north arrow pointing upwards, labeled with a circled 'N'. Below it is a graphic scale bar with alternating black and white segments, labeled with '1000'', '500'', '0'', and '1000'' from left to right.

SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.



UNTAH ENGINEERING & SURVEYING

P. O. BOX 1758 - 85 SOUTH - 200 EAST

VERNAL, UTAH - 84078

| | |
|---------------------------|---------------------------------|
| SCALE 1" = 1000' | DATE 10-21-91 |
| PARTY J.F. C.Y. R.E.H. | REFERENCES G.L.O. PLAT |
| WEATHER WARM | FILE COASTAL OIL & GAS CORP. |

COASTAL OIL & GAS CORPORATION
Lease #UTU-0141315, NBU #174
NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 11, T9S, R21E
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

| | | | |
|-------------|---------|-------------|-------|
| Uinta | Surface | Wasatch | 5365' |
| Green River | 1865' | Total Depth | 6625' |

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

| | | |
|---------|-------|-------------------------|
| Wasatch | 5365' | Gas (Primary Objective) |
|---------|-------|-------------------------|

If any shallow water zones are encountered, they will be adequately protected and reported; none anticipated. All potentially productive hydrocarbon zones will be cemented off.

3. Pressure Control Equipment: (Schematic Attached)

A. Type: 11" Double Gate Hydraulic.

The Blow-Out Preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Kill line (2-inch minimum).
4. One (1) kill line valve (2-inch minimum).
5. One (1) choke line valve.
6. Two (2) adjustable chokes.
7. Upper kelly cock valve with handle available.
8. Safety valve & subs to fit all drill strings in use.
9. 2-inch (minimum) choke line.
10. Pressure gauge on choke manifold.

B. Pressure Rating: 2,000 psi

C. Testing Procedure:

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

3. Pressure Control Equipment:

C. Testing Procedure: Continued

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day.

All BOP drills and tests will be recorded in the IADC driller's log.

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles which meet the manufacturer's specifications will be used as the backup to the required independent power source. The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in Onshore Operating Order #2.

F. Special Drilling Operations:

In addition to the equipment already specified in Items A through E, above, the following equipment will be in place and operational during air/gas drilling:

1. Properly lubricated and maintained rotating head.
2. Spark arresters on engines or water cooled exhaust.
3. Bloopie line discharge 100 feet from well bore and securely anchored (not required for aerated water system).

3. Pressure Control Equipment:

F. Special Drilling Operations: Continued

4. Straight run on blooie line.
5. Deduster equipment (not required for aerated water system).
6. All cuttings and circulating medium(s) shall be directed into a reserve or blooie pit.
7. Float valve above bit.
8. Automatic igniter or continuous pilot light on the blooie line (not required for aerated water system).
9. Compressors located in the opposite direction from the blooie line and at a minimum of 100 feet from the well bore.
10. Mud circulating equipment, water, and mud materials (does not have to be pre-mixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

G. Miscellaneous Information:

The Blow-Out Preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of Onshore Operating Order #2.

The choke manifold and BOP extension rods with hand wheels will be located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head but readily accessible to the driller.

Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill this hole.

A flare line will be installed after the choke manifold, extending 100 feet (minimum) from the center of the drill hole to a separate flare pit, if required.

4. The Proposed Casing and Cementing Program:

A. Casing Program (All New)

| <u>Hole Size</u> | <u>Casing Size</u> | <u>Wt./Ft.</u> | <u>Grade</u> | <u>Joint</u> | <u>Depth Set</u> |
|------------------|--------------------|----------------|--------------|--------------|------------------|
| 12-1/4" | 8-5/8" | 24.0# | K-55 | ST&C | 0- 250' |

4. The Proposed Casing and Cementing Program:

A. Casing Program - Continued

| <u>Hole Size</u> | <u>Casing Size</u> | <u>Wt./Ft.</u> | <u>Grade</u> | <u>Joint</u> | <u>Depth Set</u> |
|------------------|--------------------|----------------|--------------|--------------|------------------|
| 7-7/8" | 5-1/2" | 17.0# | K-55 | LT&C | 0-6625' |

Casing string(s) will be pressure tested to 0.22 psi per foot, or 1500 psi (not to exceed 70% of the internal yield strength of the casing), whichever is greater, after cementing and prior to drilling out from under the casing shoe.

B. Cementing Program

Surface Casing : Cement with approximately 180 sx Class "G" cement + additives, circulated to surface with 100% excess.

Production Casing : Lead with approximately 350 sx Halliburton Silica "Lite" cement with 4% Gel, 4% CaCl₂, 0.3 % Halad-413 and 2.0#/sx Granulite TR; tail with approximately 195 sx Class "G" cement + additives. Cement will be circulated back to surface with 30% excess.

Actual cement volumes to be required will be determined from the caliper log.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Mud Program: (Visual Monitoring)

| <u>Interval</u> | <u>Type</u> | <u>Weight</u> | <u>Viscosity</u> | <u>Fluid Loss</u> |
|-----------------|------------------|---------------|------------------|-------------------|
| 0-1500' | Air/Mist | ----- | ----- | ----- |
| 1500-6625' | Aerated Water | ----- | ----- | ----- |

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

5. Mud Program: Continued

The surface hole will be drilled with an air mist system, injecting water at the rate of 15-20 gallons/minute, until the lost circulation zone is reached at 1,500' (+/-). At that point, Coastal Oil & Gas Corporation will switch to an aerated water system, utilizing the rig pumps to inject water at a rate of 190 gallons/minute to total depth.

6. Evaluation Program:

Logs : DIL-Caliper : 6625' - Surface
FDC-CNL : 6625' - 1500'

DST's : None anticipated.

Cores : None anticipated.

The proposed evaluation program may change at the discretion of the well site geologist, with prior approval from the Authorized Officer, Bureau of Land Management.

Stimulation : No stimulation or frac treatment has been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all completion activities.

Whether the well is completed as a dry hole or as a producer, Well Completion and Recompletion Report and Log (Form 3160-4) will be submitted to the Book Cliffs Resource Area Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.

Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer, Book Cliffs Resource Area Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078, Phone: (801) 789-1362.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3,081 psi (calculated at 0.465 psi/foot) and maximum anticipated surface pressure equals approximately 1,623 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations:

A. Drilling Activity

Anticipated Commencement Date : May 10, 1992
Drilling Days : Approximately 10 Days
Completion Days : Approximately 7 days

B. Notification of Operations

The Book Cliffs Resource Area Office, Bureau of Land Management will be notified at least twenty-four (24) hours PRIOR to the commencement of the following activities:

1. Spudding of the well. This oral report will be followed up with a Sundry Notice (Form 3160-5);
2. initiating pressure tests of the blow-out preventer and related equipment;
3. running casing and cementing of ALL casing strings.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in suspended status without prior approval of the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

In accordance with Onshore Operating Order #1, this well will be reported on MMS Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the Royalty Management Program, Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217.

Immediate Report: spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the provisions of NTL-3A or its current revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the Authorized Officer, and all conditions of this approved plan will be applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication no later than five (5) business days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the Authorized Officer, produced water may be temporarily disposed of into the reserve pit for a period of up to ninety (90) days. During this period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the Authorized Officer.

Pursuant to NTL-4A, lessees and operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of thirty (30) days or the production of fifty (50) MMCF of gas, whichever occurs first. An application must be filed with the Authorized Officer, and approval received, for any venting/flaring of gas beyond the initial thirty (30) day or otherwise authorized test period.

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the Vernal District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer.

A "Notice of Intention to Abandon" (Form 3160-5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug and abandon.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch: "Fed" or "Ind", as applicable; Company Name, Well Name and Number, Location by Quarter/Quarter, Section, Township, Range, and Federal or Indian Lease Number.

A "Subsequent Report of Abandonment" (Form 3160-5) will be submitted within thirty (30) days following the actual plugging of the well bore. This report will indicate where plugs were placed and the current status of surface restoration operations. If surface restoration has not been completed at that time, a follow-up report on Form 3160-5 will be filed when all surface restoration work has been completed and the location is considered ready for final inspection.

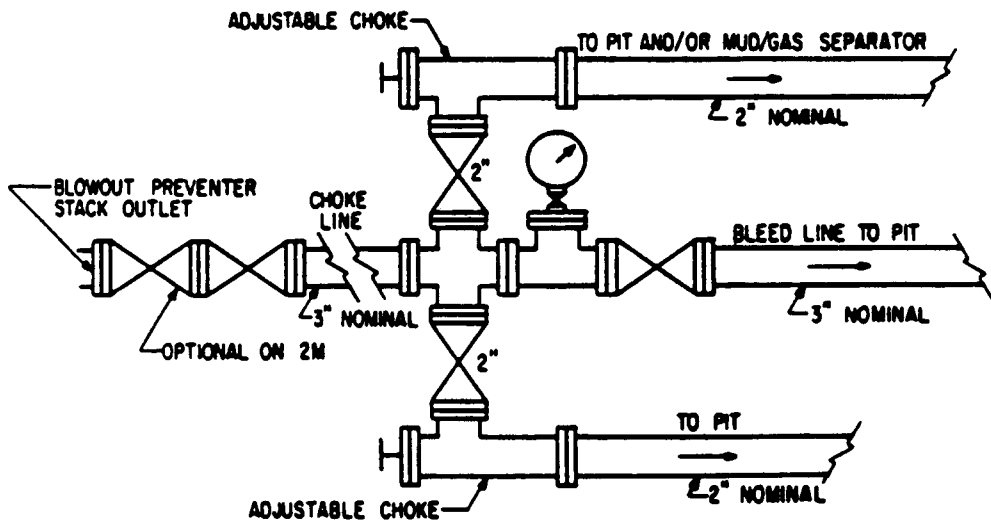
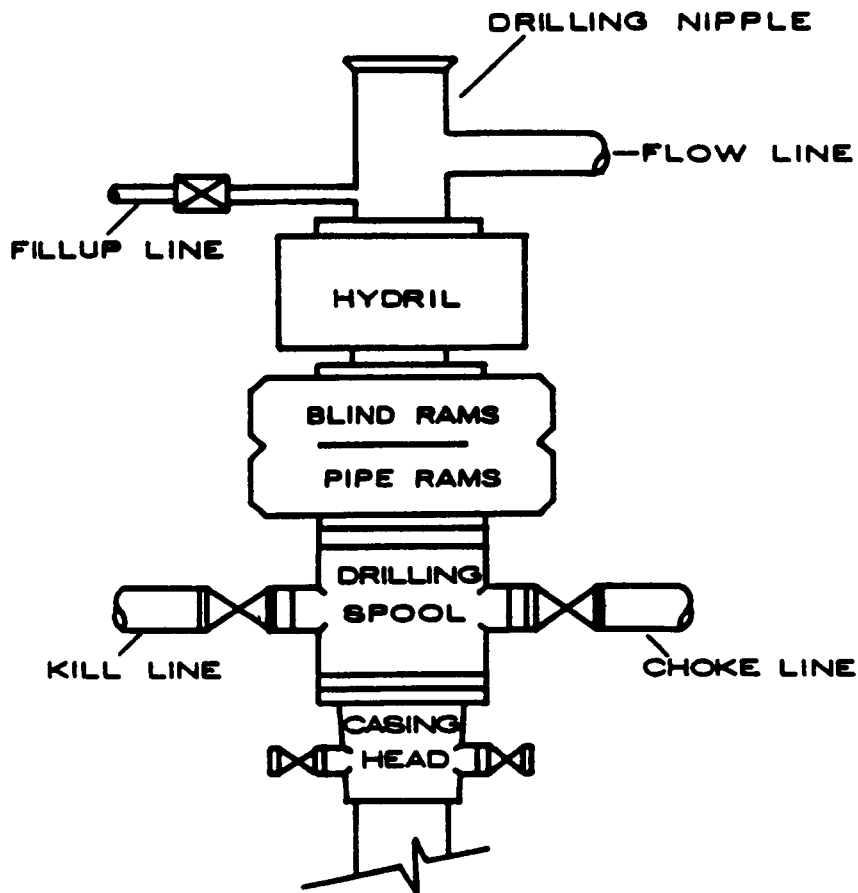
8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

Final abandonment will not be approved until the surface reclamation work required by the approved Application for Permit to Drill has been completed to the satisfaction of the Authorized Officer or his representative, or the appropriate Surface Management Agency.

Pursuant to Onshore Operating Order #1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal and Indian lands.

BOP STACK



COASTAL OIL & GAS CORPORATION
Lease #UTU-0141315, NBU #174
NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 11, T9S, R21E
Uintah County, Utah

Multi-Point Surface Use and Operations Plan

1. Existing Roads: Refer to Maps "A" & "B" (shown in ORANGE)
 - A. The proposed well site is staked and four 200-foot reference stakes are present.
 - B. To reach the location from the town of Vernal, Utah; proceed generally southwest approximately 14.0 miles on U.S. Highway 40 (a paved U.S. highway), thence generally south approximately 17.0 miles on Utah Highway 88 (a paved state highway) to the community of Ouray, thence generally south approximately 6.9 miles on the Seep Ridge Road (an existing, upgraded Uintah County road), thence generally east approximately 5.0 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north approximately 0.3 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east/northeast approximately 5.4 miles on the Mountain Fuel Pipeline Road (an existing, upgraded oilfield road; crowned & ditched with a gravel surface), thence generally north/northwest approximately 1.9 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north and west approximately 1.3 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally southwest approximately 0.2 miles to the proposed NBU #174 well location.
 - C. Access roads - refer to Maps "A" and "B".
 - D. Access roads within a one (1) mile radius - refer to Map "B".
 - E. The existing gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the NBU #174 well location.
2. Planned Access Roads: Refer to Map "B" (Shown in GREEN)

Approximately 0.2 miles of new road construction will be required for access to the proposed NBU #174 well location.

 - A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched.

2. Planned Access Roads: Continued

- B. Construction standard - the access road will be constructed in accordance with Bureau of Land Management Rooding Guidelines established for oil and gas exploration and development activities as referenced in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition.

The access road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements and will include ditching, draining, graveling, crowning, and capping the roadbed as deemed necessary to provide a well constructed and safe road.

Prior to construction, the roadway shall be cleared of any snow cover and allowed to dry completely.

Traveling off of the thirty (30) foot right-of-way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type, shall be designed so that they will not cause siltation or the accumulation of debris in the drainage crossing, nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts.

Upgrading shall not be allowed during muddy conditions.

Should mud holes develop, they shall be filled in and detours around them avoided.

- C. Maximum grade - 3%.
- D. Turnouts - turnouts will be constructed along the access route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.
- E. Drainage design - the access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.
- F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.

2. Planned Access Roads: Continued

- G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Indian Affairs. None anticipated at this time.
- H. Gates, cattleguards or fence cuts - none required.
- I. Road maintenance - during both the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and will be maintained in accordance with the original construction standards.

All drainage ditches and culverts will be kept clear and free-flowing, and will also be maintained in accordance with the original construction standards. The access road right-of-way will be kept free of trash during all operations.

- J. The proposed access road has been centerline staked.

3. Location of Existing Wells Within a One-Mile Radius:

Please Refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - none known.
- C. Temp. abandoned wells - NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 10, T9S, R21E.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 2, T9S, R21E.
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 2, T9S, R21E.
SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 3, T9S, R21E.
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 12, T9S, R21E.
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 2, T9S, R21E.
SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 3, T9S, R21E.
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 12, T9S, R21E.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing - Continued

2. Production facilities - same as Item #4A1, above.
3. Oil gathering lines - none.
4. Gas gathering lines - same as Item #4A1, above.

B. New Facilities Contemplated

1. All production facilities will be located on the disturbed portion of the well pad and at a minimum of twenty-five (25) feet from the toe of the back-slope or top of the fill slope.
2. The production facilities (consisting primarily of a christmas tree at the well head, dehydration unit, and emergency pit) will require an area approximately 300' X 135'.

A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via "Sundry Notice" (Form #3160-5) for approval of subsequent installation operations.

3. Production facilities will be accommodated on the existing well pad. Construction materials required for installation of the production facilities will be obtained from the site; any additional materials required will be purchased from a local supplier having a permitted (private) source of materials within the area.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

4. All permanent (on-site for six months or longer) above-the-ground structures constructed or installed including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Five (5) State Rocky Mountain Interagency Committee.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

B. New Facilities Contemplated - Continued

4. All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act Rules and Regulations will be excluded from this painting requirement.

The required paint color is Carlsbad Canyon, Munsell standard color number 2.5Y 6/2.

- C. The production (emergency) pit will be fenced with woven wire mesh topped with one (1) strand of barbed wire held in place with metal side posts and wooden corner "H" braces in order to protect both livestock and wildlife. Please refer to Item #9E (page #'s 8 & 9) for additional information regarding these fencing specifications.
- D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road right-of-way and any additional areas as specified in the approved Application for Permit to Drill.
- E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer, BIA.

5. Location and Type of Water Supply:

- A. Fresh water for drilling will be obtained from an existing water well and reservoir: Uintah #1, owned by Target Trucking, Inc. and located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 10 South, Range 21 East, Uintah County, Utah; permit #49-991 (A57530).
- B. Water will be transported over existing roads via tank truck from the point of diversion to the proposed NBU #174 well location. No new construction will be required on/along the proposed water haul route.

Access roads which cross off-lease Tribal lands on/along the proposed water haul route will be authorized under a separate Right-of-Way Grant/Special Use Permit to be obtained from the Uintah and Ouray Ute Indian Tribes and/or the Bureau of Indian Affairs prior to the commencement of operations, if required.

5. Location and Type of Water Supply: Continued

C. No water well will be drilled on this location.

6. Source of Construction Materials:

- A. Construction materials needed for surfacing of the well pad will be obtained from a local contractor having a permitted (private) source of materials in the area. Refer to Item #2G (page #3) regarding any construction materials which may be required on the access road.
- B. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials in the area.
- D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

- A. Cuttings - the cuttings will be deposited in the reserve/blooie pit.
- B. Drilling fluids - including salts and chemicals will be contained in the reserve/blooie pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within ninety (90) days after termination of drilling and completion activities.

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Coastal Oil & Gas Corporation.

- B. Drilling fluids - the reserve pit will be constructed so as not to leak, break, or allow discharge.
- C. Produced fluids - liquid hydrocarbons produced during completion operations will be placed in test tanks on the location. Produced waste water will be confined to a lined pit (reserve pit) or storage tank for a period not to exceed ninety (90) days after initial production.

7. Methods of Handling Waste Materials: Continued

- C. Produced fluids - during this ninety (90) day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with the required water analysis, shall be submitted to the Authorized Officer for approval. Failure to file an application within the time frame allowed will be considered as an incidence of noncompliance.

Any spills of oil, gas, salt water or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

- D. Sewage - self-contained, chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations, or as needed, the toilet holding tanks will be pumped and the contents thereof disposed of in the nearest, approved, sewage disposal facility.
- E. Garbage and other waste material - garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. No trash will be burned on location or placed in the reserve pit.
- F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.
- G. The reserve and/or production pit will be constructed on the existing location and will not be located in natural drainages where a flood hazard exists or surface runoff will destroy or damage the pit walls.

All pits will be constructed so as not to leak, break, or allow the discharge of liquids therefrom.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the location. An average minimum of twelve (12) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be one (1) trailer on location during drilling operations for the toolpusher.
- C. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form #3160-5) for approval of subsequent operations. Refer to Item #4B2 (page #4) for additional information in this regard.
- D. The reserve pit will be lined with either native clay, commercial bentonite, or plastic sufficient to prevent seepage.

If a plastic-nylon reinforced liner is used, it will be a minimum of 12 mil in thickness with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls, extend under the mud tanks, and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc. that could puncture the liner will be disposed of in the reserve pit.

A flare/blooiie pit will be constructed adjacent to the location, south of and separate from the reserve pit, and at a minimum of thirty (30) feet from the reserve pit fence and one hundred (100) feet from the rig substructure (Refer to Figure #1 for the location of the flare/blooiie pit).

- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
 - 1. 39-inch net wire shall be used with at least one (1) strand of barbed wire on top of the net wire. The barbed wire is not necessary IF pipe or some type of reinforcement rod is attached to the top of the entire fence.

9. Wellsite Layout: Continued

- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
2. The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least 42 inches.
 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen feet.
 5. All wire shall be stretched tight before the wire is attached to the corner braces. Pulling the wire tight by hand without the use of a stretching device will not be acceptable.

The fourth side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.

- F. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

The Ute Tribe will be contacted prior to commencement of any reclamation operations.

A. Production

1. Immediately upon well completion, the well location and surrounding area(s) will be cleared of all debris, materials, trash and junk not required for production.
2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

10. Plans for Reclamation of the Surface:

A. Production - Continued

3. Before any dirt work to restore the location takes place, all standing water will be removed from the reserve pit, along with all cans, barrels, pipe, etc. that may have been deposited therein during the course of drilling and completion operations.
4. Other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.
5. The reserve pit and that portion of the location and access road not needed for production facilities and/or operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.

Prior to commencement of backfilling, the plastic or vinyl liner will be folded back into the pit. Fill material will then be pushed into the reserve pit to completely cover both the pit and it's contents.

6. In order to prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will result in the ground surface over said pit being "mounded" above the surrounding ground surface (+/- three feet) to allow the reclaimed pit surface area to drain properly.
7. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back up into the cut.
8. Upon completion of backfilling, leveling and re-contouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to re-seeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface.

No depressions will be left that would trap water and form ponds.

10. Plans for Reclamation of the Surface:

A. Production - Continued

8. All disturbed surfaces (including the access road and well pad areas) will be reseeded with a seed mixture to be recommended by the Authorized Officer, Bureau of Indian Affairs. Seed will be drilled on the contour to an approximate depth of one-half (1/2) inch. All seeding will be conducted after September 15 and prior to ground frost. If the seeding is unsuccessful, Coastal Oil & Gas Corporation may be required to make subsequent seedings.

B. Dry Hole/Abandoned Location

1. On lands administered by the Bureau of Indian Affairs, abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include:
 - (a) re-establishing irrigation systems where applicable,
 - (b) re-establishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and,
 - (c) ensuring revegetation of the disturbed areas to the specifications of the Uintah & Ouray Indian Tribes or the Bureau of Indian Affairs at the time of abandonment.
2. All disturbed surfaces will be recontoured to the approximate natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Please refer to Item #10A5-6 (page #10) for information regarding reclamation of the reserve pit area.

Reseeding operations will be performed in the fall following completion of reclamation operations. Please refer to Item #10A8 (page #10) for additional information regarding the reseeded operation.

11. Surface Ownership:

The well site and proposed access road are situated on surface lands owned by the Uintah and Ouray Ute Indian Tribes and administered in trust by:

Bureau of Indian Affairs
Uintah & Ouray Agency
P.O. Box 130
Fort Duchesne, Utah 84026
Phone: (801) 722-2406

12. Other Information:

- A. General Description of the Project Area: The proposed drill site is located within the Natural Buttes Unit in an area of northeastern Utah and more specifically in an area of moderately eroded uplands located between the White River to the north (and east), Cottonwood Wash to the west, Molly's Nipple to the west/northwest, Willow Creek to the west, and Sand Wash to the south/southeast.

This area is classified as a "High Plains Steppe" (Cold Desert) and is characterized by gently to moderately undulated uplands dissected by numerous dendritically-patterned, ephemeral drainages of both the Green and White Rivers. Local flora consists primarily of native grasses such as salt grass, galleta grass, needle-and-thread grass, Indian ricegrass; and woody species such as shadscale, horsebrush, black sagebrush, fringe sagebrush, big sagebrush, rabbitbrush, and greasewood along the dry drainages. Local fauna consists primarily of mule deer, antelope, coyotes, rabbits, raptors, and various smaller vertebrate and invertebrate species.

There are no known threatened or endangered species that will be affected by implementation of operations on the proposed NBU #174 well location.

- B. Surface Use Activities: The primary surface use is for grazing.
- C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:
1. The closest source of permanent water is the White River, located approximately one (1) mile to the north of the proposed well location.

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

2. The closest occupied dwellings are located in the community of Ouray, approximately eleven (11) miles to the west/northwest of the proposed well location.
3. A cultural resource clearance will be conducted before any construction activities begin on the proposed NBU #174 well location.

If, during operations, any archaeological or historical sites, or any object(s) of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Bureau of Indian Affairs.

Coastal Oil & Gas Corporation will be responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.

If historic or archaeological materials are uncovered, Coastal Oil & Gas Corporation will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer.

Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation as to:

- whether the materials appear eligible for the National Register of Historic Places;
- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

3. Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation as to:

- a time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If Coastal Oil & Gas Corporation wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, Coastal Oil & Gas Corporation will be responsible for mitigation costs.

The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that the required mitigation has been completed, Coastal Oil & Gas Corporation will then be allowed to resume construction.

D. Additional Stipulations for Operations on Lands Administered by the Bureau of Indian Affairs:

1. If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the Bureau of Indian Affairs before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.
2. All roads constructed by oil and gas operators on the Uintah & Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction.

12. Other Information:

D. Additional Stipulations for Operations on Lands
Administered by the Bureau of Indian Affairs: Continued

2. These signs will state:

- (a) that the land is owned by the Uintah & Ouray Indian tribes,
- (b) the name of the Operator,
- (c) that firearms are prohibited by all non-Tribal members,
- (d) that permits must be obtained from the Bureau of Indian Affairs before cutting firewood or other timber products, and
- (e) only authorized personnel are permitted to use said road.

- 3. All well site locations on the Uintah & Ouray Indian Reservation will have an appropriate sign which will indicate the name of the Operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, section, township, and range).
- 4. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management and the Bureau of Indian Affairs between 24 and 48 hours prior to commencement of construction activities. BLM: (801) 789-1362; BIA: (801) 722-2406.
- 5. The BLM and BIA offices shall be notified upon site completion and prior to moving drilling tools onto the location.
- 6. Coastal Oil & Gas Corporation will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the Bureau of Indian Affairs, or the Uintah County Extension Office.

12. Other Information:

D. Additional Stipulations for Operations on Lands
Administered by the Bureau of Indian Affairs: Continued

6. On lands administered by the Bureau of Indian Affairs, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.

13. Lessee's or Operator's Representative and Certification:

Representative

Coastal Oil & Gas Corporation
Randy L. Bartley, Operations Manager
P.O. Box 749
Denver, Colorado 80201-0749
Phone: (303) 572-1121

Heitzman Drill-Site Services*
Dale Heitzman and/or Robert M. Anderson
P.O. Drawer 3579
Casper, Wyoming 82602
Phone: (307) 266-4840

- * Contact for any additional information which may be required for approval of this Application for Permit to Drill.

Certification

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Coastal Oil & Gas Corporation will be fully responsible for the actions of their subcontractors.

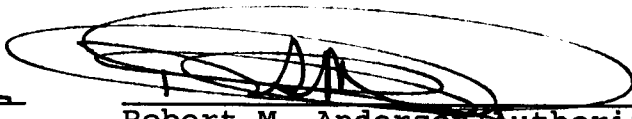
A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

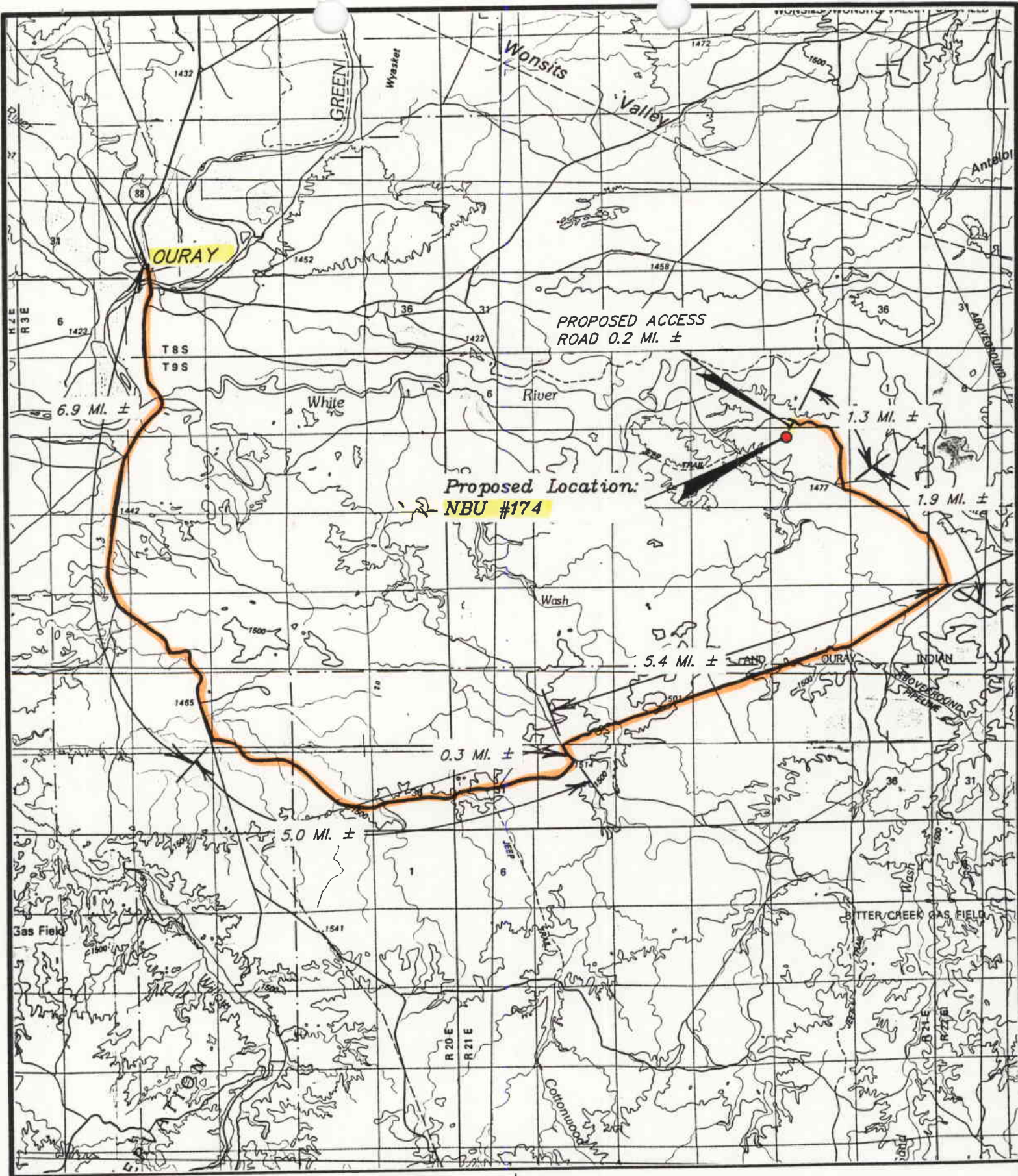
13. Lessee's or Operator's Representative and Certification:

Certification - Continued

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coastal Oil & Gas Corporation, its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

4 February 1992
Date


Robert M. Anderson/Authorized Agent

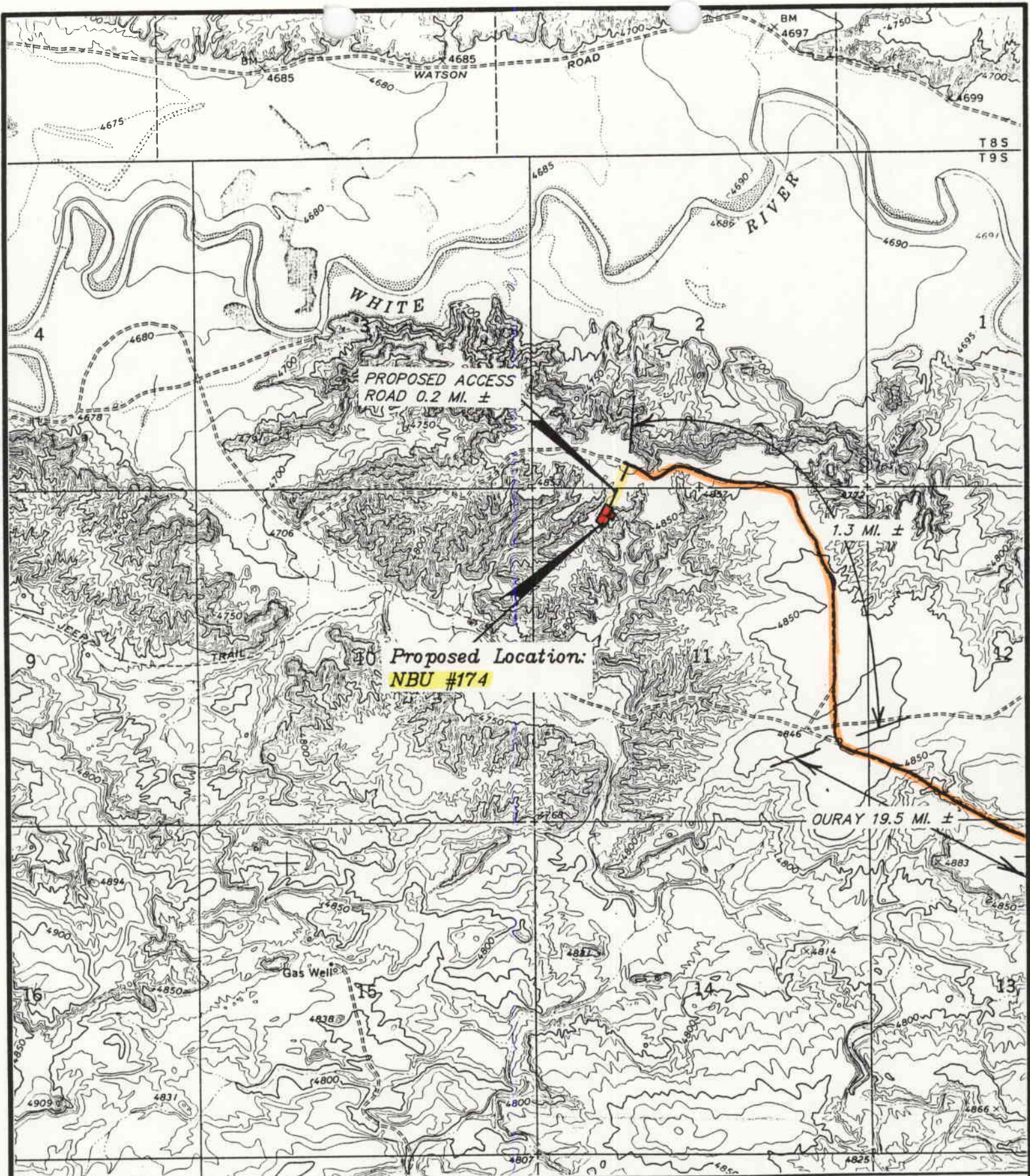


TOPOGRAPHIC
MAP "A"

DATE 10-17-91 R.E.H.

COASTAL OIL & GAS CORP.

NBU #174
SECTION 11, T9S, R21E, S.L.B.&M.



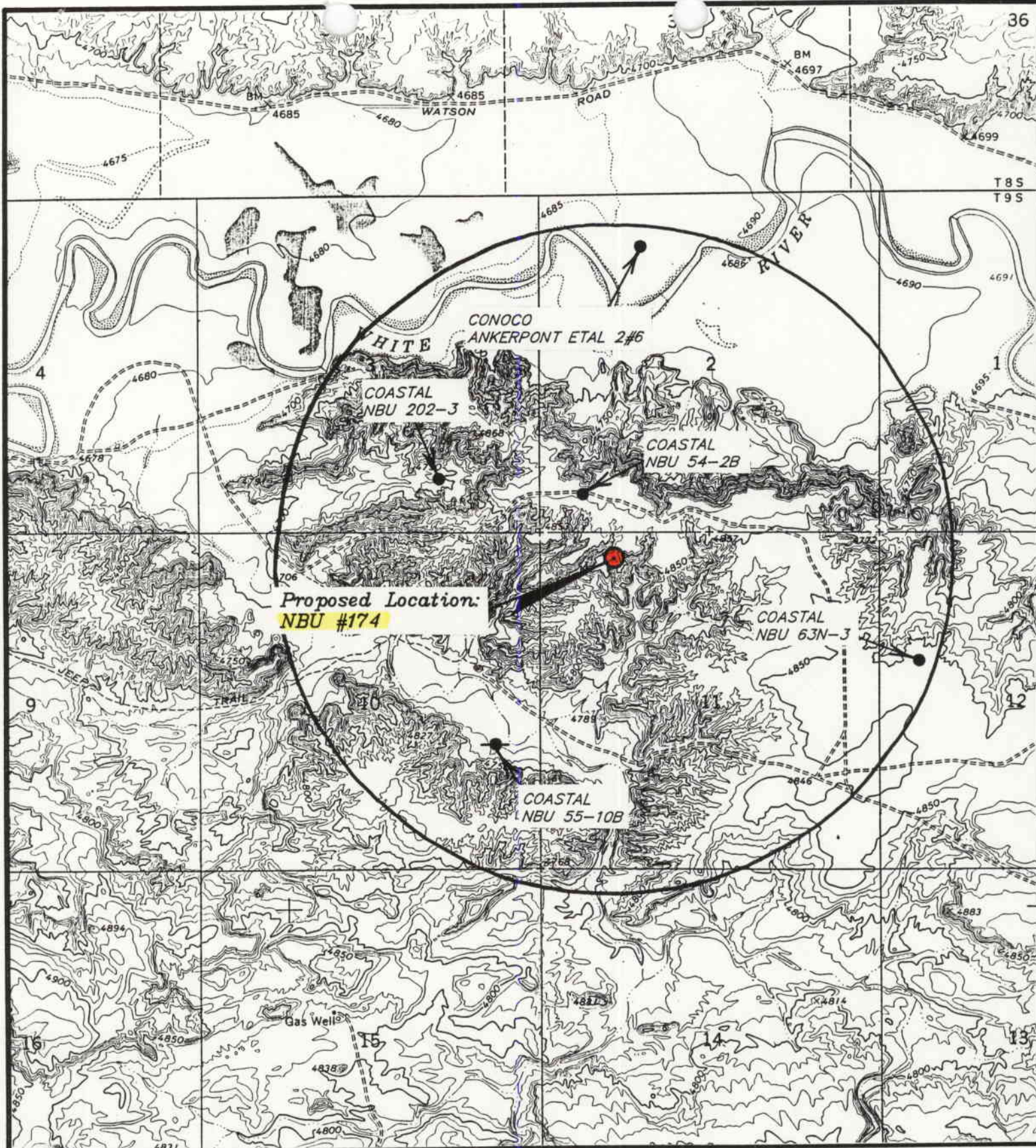
TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'
DATE 10-17-91 R.E.H.



COASTAL OIL & GAS CORP.

NBU #174
SECTION 11, T9S, R21E, S.L.B.&M.



LEGEND:

- ⊗ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



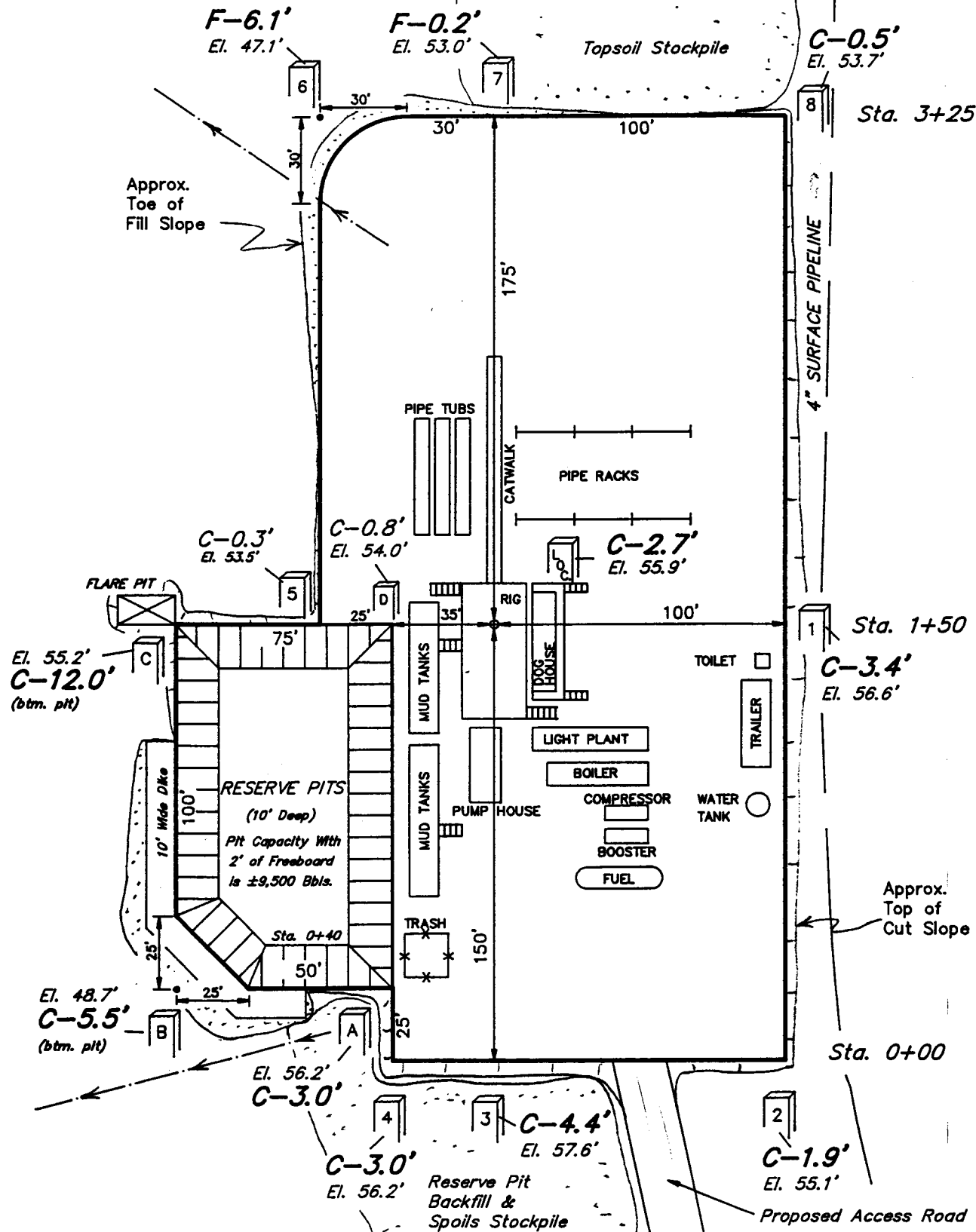
COASTAL OIL & GAS CORP.

NBU #174

SECTION 11, T9S, R21E, S.L.B.&M.

TOPO MAP "C"

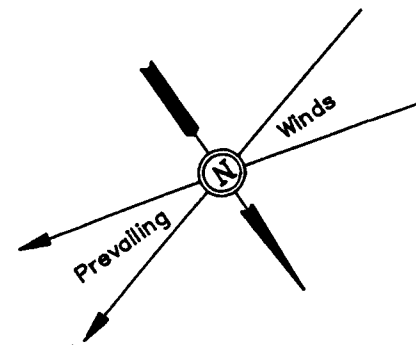
DATE: 10-17-91 R.E.H.



APPROXIMATE YARDAGES

| | |
|------------------------|------------------------|
| CUT | |
| (6") Topsoil Stripping | = 2,130 Cu. Yds. |
| Remaining Location | = 4,770 Cu. Yds. |
| TOTAL CUT | = 6,900 CU.YDS. |
| FILL | = 3,370 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION | = 3,350 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,350 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |



SCALE: 1" = 50'
 DATE: 10-22-91
 Drawn By: R.E.H.
 REVISED: 1-14-92 R.E.H.

TYP. LOCATION LAYOUT

NOTES:

Elev. Ungraded Ground At Loc. Stake = **4855.9'**
 FINISHED GRADE ELEV. AT LOC. STAKE = **4853.2'**

COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR
 NBU #174
 SECTION 11, T9S, R21E, S.L.B.&M.

RECEIVED
 FEB 07 1992
 DIVISION OF OIL GAS & MINING

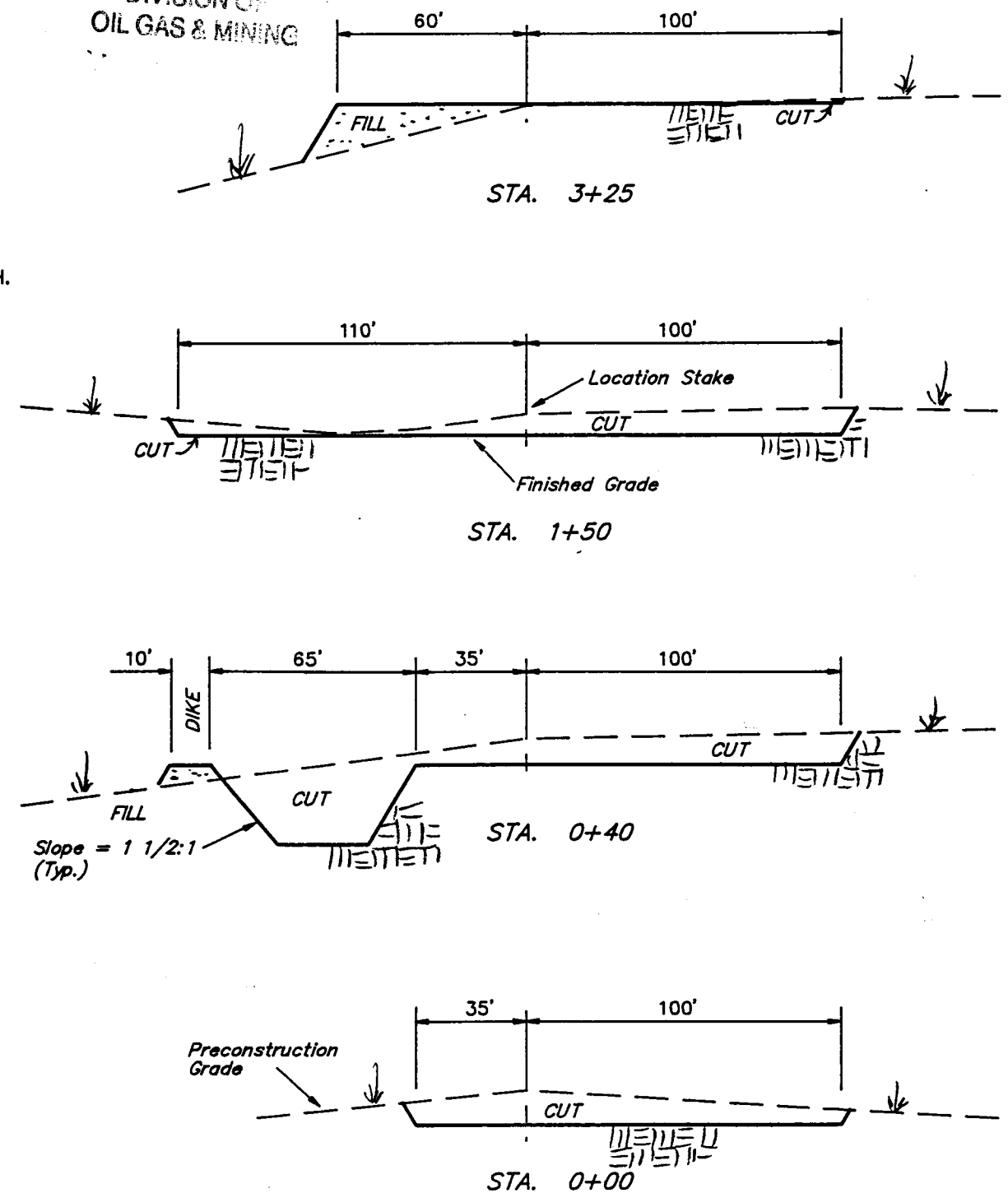


FIGURE #1

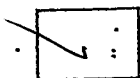
UINTAH ENGINEERING & LAND SURVEYING
 85 South 200 East Vernal, Utah

OPERATOR Coastal Oil & Gas Corp N-0230 DATE 01-11-90
WELL NAME NBD 174
SEC NW 11 T 9S R 01E COUNTY Mintah

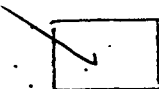
43-047-30193
API NUMBER

Natural (1)
TYPE OF LEASE

CHECK OFF:



PLAT.



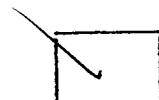
BOND



NEAREST
WELL



LEASE



FIELD
SLBM



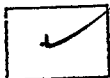
POTASH OR
OIL SHALE

PROCESSING COMMENTS:

Included in fourth Supplement 91 POD. app 10-9-91.
Water Permit 49-991 (A57530) target trucking
Oil shale area

APPROVAL LETTER:

SPACING:

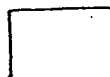


649-2-3
R615-2-3

Natural Butter
UNIT



R615-3-2



N/A
CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

1- Oil shale



Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

February 18, 1992

Coastal Oil & Gas Corporation
P. O. Box 749
Denver, Colorado 80201-0749

Gentlemen:

Re: NBU 174 Well, 454 feet from the north line, 1154 feet from the west line, NW 1/4 NW 1/4, Section 11, Township 9 South, Range 21 East, Uintah County, Utah

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3 (formerly R. 615-2-3), and Utah R. 649-3-4 (formerly R. 615-3-4), approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq. (formerly R. 615-1 et seq.), Oil and Gas Conservation General Rules.
2. Notification within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.

Page 2
Coastal Oil & Gas Corporation
NBU 174
February 18, 1992

6. Compliance with the requirements of Utah Admin. R. 649-3-20 (formerly R. 615-3-20), Gas Flaring or Venting, if the well is completed for production.

Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site should be submitted to the local health department. These drilling operations and any subsequent well operations should be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Department of Environmental Quality, Division of Drinking Water/Sanitation, telephone (801)538-6159.

This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32193.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

ots
Enclosures
cc: Bureau of Land Management
J.L. Thompson
WOI1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APR 17 1992

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

DIVISION OF
OIL, GAS & MINING

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

See Attached List

5. Lease Designation and Serial No.

See Attached List

6. If Indian, Allottee or Tribe Name

See Attached List

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

See Attached List

9. API Well No.

See Attached List

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other NTL 2B; IV
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation hereby requests permission to dispose of produced water in unlined pits per NTL-2B, IV, for the subject wells.

- 1) These wells are completed in the Wasatch formation and produce less than 5 barrels of water per day on a monthly basis.
- 2) Two unlined pits per location will be used due to the size and layout of the locations: 40' x 40' x 8' and 6' x 6' x 6' deep with berms surrounding them. Each pit will be fenced and will have cement corner posts per BLM specifications. (See the attached typical facilities diagram.)
- 3) The average evaporation rate for the area compensated for annual rainfall is 70" per year.
- 4) The estimated percolation rate based on the soil characteristics under and adjacent to the pits is 2-6" per hour.
- 5) The depth of usable water aquifers in this area is approximately 1500'.

14. I hereby certify that the foregoing is true and correct

Signed Eileen Danni Dey
(This space for Federal or State office use)

Title Regulatory Analyst

Date 4/14/92

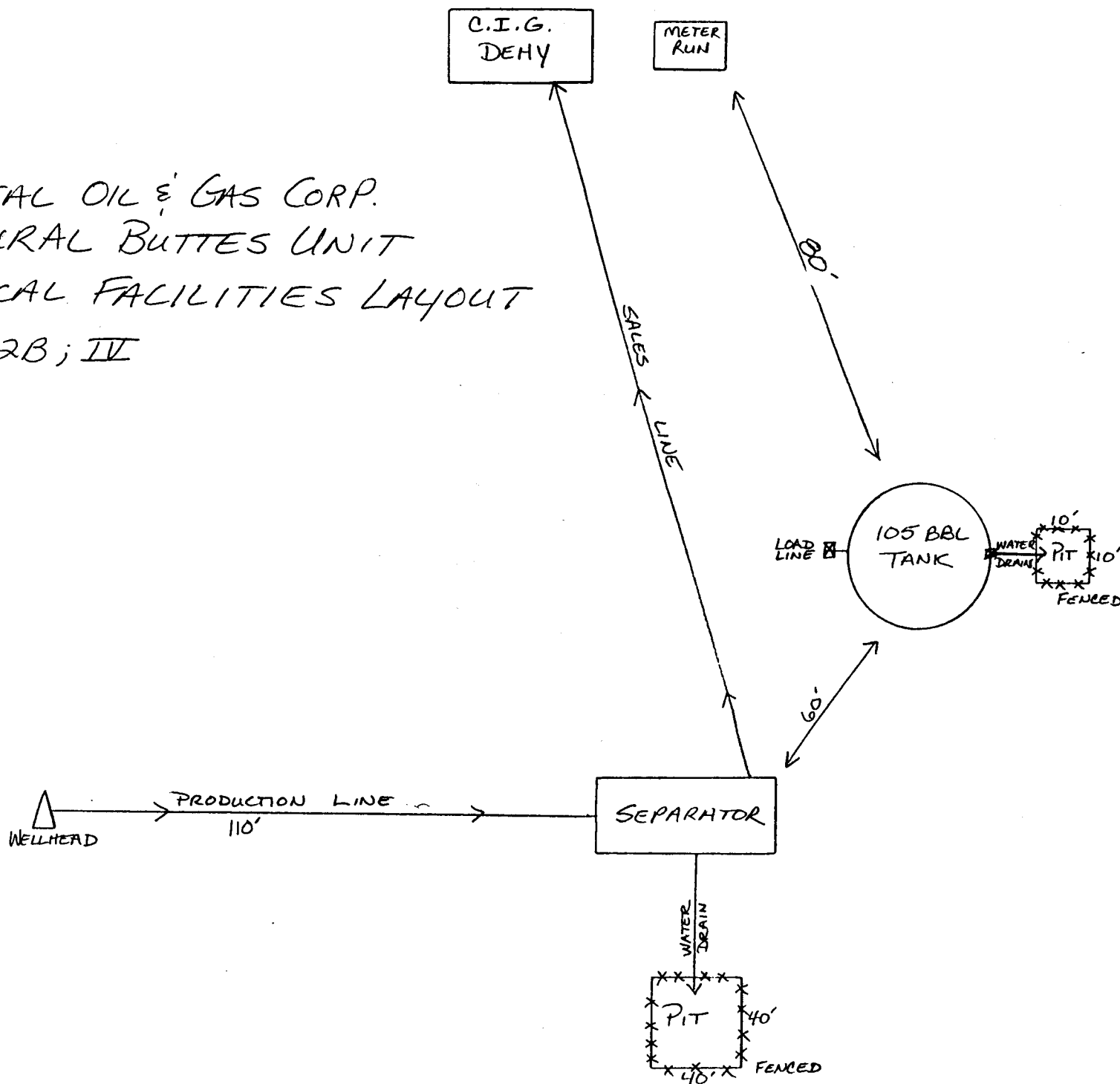
Accepted by the State
of Utah Division of
Oil, Gas and Mining

Date: 4-29-92

By: [Signature]

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COASTAL OIL & GAS CORP.
NATURAL BUTTES UNIT
TYPICAL FACILITIES LAYOUT
NTL-2B; IV



13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

| WELL # | LOCATION | QUAD | SEC | TWP | RGE | STATE OR BLM LEASE # | SURFACE | API NUMBER |
|-----------|----------|------|-----|-----|-----|-------------------------|---------|---------------|
| NBU #103 | SENW | 10 | 9 | 21 | | U-0141315 | UTE | 43-047-31956 |
| NBU #104 | SENE | 16 | 9 | 21 | | ST ML-3282 | UTE | 43-047-31957 |
| NBU #105 | SWSW | 17 | 9 | 21 | | U-0575 | UTE | 43-047-31955 |
| NBU #106 | NESW | 21 | 9 | 21 | | U-0576 | UTE | 43-047-31946 |
| NBU #107 | SENW | 26 | 9 | 21 | | ST ML-01194 | STATE | 43-047-31916 |
| NBU #108 | SESE | 19 | 9 | 22 | | U-0284 | UTE | 43-047-31958 |
| NBU #109 | SENE | 27 | 9 | 21 | | ST U-01194-A | STATE | 43-047-31917 |
| NBU #110 | NENE | 28 | 9 | 21 | | U-0576 | FED. | 43-047-31924 |
| NBU #111 | SWNW | 25 | 9 | 21 | | ST U-01194 | STATE | 43-047-31920 |
| NBU #112 | SESE | 33 | 9 | 22 | | U-01191 | FED. | 43-047-31930 |
| NBU #113 | SESE | 34 | 9 | 22 | | U-0149077 | FED. | 43-047-31931 |
| NBU #114 | SWSW | 5 | 10 | 21 | | U-01393-D | FED. | 43-047-31923 |
| NBU #115 | NENW | 10 | 10 | 21 | | U-0149079 | FED. | 43-047-31929 |
| NBU #116 | NWNW | 6 | 10 | 22 | | U-464 | FED. | 43-047-31925 |
| NBU #117 | NENE | 10 | 10 | 22 | | ST UT-01197-A | STATE | 43-047-31914 |
| NBU #118 | SENE | 22 | 9 | 20 | | U-0577-B | UTE | 43-047-31969 |
| NBU #119 | SENW | 22 | 9 | 20 | | U-0577-B | UTE | 43-047-31973 |
| NBU #120 | NWNW | 10 | 9 | 21 | | U-0141315 | UTE | 43-047-31972 |
| NBU #121 | NWNE | 13 | 9 | 21 | | U-01193 | UTE | 43-047- |
| NBU #122 | SWSE | 13 | 9 | 21 | | U-01193 | UTE | 43-047-32085 |
| NBU #123 | NWNW | 15 | 9 | 21 | | U-01188 | UTE | 43-047-31974 |
| NBU #124 | NWNE | 16 | 9 | 21 | | ST ML-3282 | UTE | 43-047-31971 |
| NBU #125 | NESE | 17 | 9 | 21 | | U-0575 | UTE | 43-047-32090 |
| NBU #126 | NENW | 21 | 9 | 21 | | U-0576 | UTE | 43-047-31962 |
| NBU #127 | SWNW | 21 | 9 | 21 | | U-0576 | UTE | 43-047-31963 |
| NBU #128 | SWSW | 21 | 9 | 21 | | U-0576 | UTE | 43-047-31964 |
| NBU #129 | SENE | 22 | 9 | 21 | | U-010950-A | UTE | 43-047-31965 |
| NBU #130 | SWNW | 22 | 9 | 21 | | U-0147566 | UTE | 43-047-31967 |
| NBU #131 | NWSW | 23 | 9 | 21 | | U-0149075 | UTE | 43-047-31966 |
| NBU #132 | NWNW | 26 | 9 | 21 | | ST U-01194 | STATE | 43-047-31938 |
| NBU #133 | SWNE | 28 | 9 | 21 | | U-0576 | FED. | 43-047-31950 |
| NBU #134 | SWSW | 28 | 9 | 21 | | U-0576 | FED. | 43-047-32011 |
| NBU #135 | NESE | 18 | 9 | 22 | | U-461 | UTE | 43-047-32089 |
| NBU #136 | SWSE | 19 | 9 | 22 | | U-0284 | UTE | 43-047-31968 |
| NBU #137 | SESE | 30 | 9 | 22 | | ST ML-22935 | STATE | 43-047-31939 |
| NBU #138A | SENE | 33 | 9 | 22 | | U-01191-A | FED. | 43-047-32151 |
| NBU #139 | SWNE | 14 | 10 | 21 | | U-465 | FED. | 43-047-31948 |
| NBU #140 | NWNE | 5 | 10 | 22 | | U-01191A | FED. | 43-047-31947 |
| NBU #141 | SENW | 6 | 10 | 22 | | U-464 | FED. | 43-047-32017 |
| NBU #142 | NESE | 10 | 10 | 22 | | U-025187 | FED. | 43-047-32013 |
| NBU #143 | NWNE | 10 | 9 | 21 | | U-0141315 | UTE | 43-047-32088 |
| NBU #144 | NWNW | 23 | 9 | 21 | | U-0149075 | UTE | 43-047-32044 |
| NBU #145 | NWNE | 27 | 9 | 21 | | ST U-01194-A | STATE | 43-047-31976 |
| NBU #146 | SWNW | 14 | 10 | 21 | | U-465 | FED. | 43-047-31985 |
| NBU #147 | NWSW | 4 | 10 | 22 | | U-01191 | FED. | 43-047-31984 |
| NBU #148 | SESW | 4 | 10 | 22 | | U-01191 | FED. | 43-047-31983 |
| NBU #149 | NESE | 5 | 10 | 22 | | U-01191 | FED. | 43-047-31982 |
| NBU #150 | SENW | 9 | 10 | 22 | | U-01196-B | FED. | 43-047-31992 |
| NBU #151 | NWNW | 9 | 10 | 22 | | U-01196-B | FED. | 43-047-31991 |
| NBU #152 | SESE | 9 | 10 | 22 | | U-01196-D | FED. | 43-047-31990 |
| NBU #153 | SWNW | 11 | 10 | 22 | | ST U-01197-A | STATE | 43-047-31975 |
| NBU #154 | NWSE | 26 | 9 | 21 | | ST ML-22934 | STATE | 43-047-32003 |
| NBU #155 | SENW | 31 | 9 | 22 | | ST ML-23607 | STATE | 43-047-32004 |
| NBU #156 | SWNW | 35 | 9 | 21 | | ST U-01194 | STATE | 43-047-32005 |
| NBU #157 | SESW | 32 | 9 | 22 | | ST ML-22649 | STATE | 43-047-32007 |
| NBU #158 | NWSE | 27 | 9 | 21 | | ST U-01194-A | STATE | 43-047-31997 |
| NBU #159 | NESW | 35 | 9 | 21 | | ST U-01194 | STATE | 43-047-31996 |
| NBU #160 | SESW | 31 | 9 | 22 | | ST ML-22935-A | STATE | 43-047-32006 |
| NBU #161 | SESE | 32 | 9 | 22 | | ST ML-22649 | STATE | 43-047-32023 |
| NBU #162 | SENW | 12 | 10 | 20 | | U-4478 | FED. | 43-047-32066 |
| NBU #163 | NENW | 14 | 10 | 21 | | U-465 | FED. | 43-047-32069 |
| NBU #164 | NWSE | 3 | 10 | 22 | | U-01191-A | FED. | 43-047-32055 |
| NBU #165 | NENW | 3 | 10 | 22 | | U-01191 | FED. | 43-047-32057 |
| NBU #166 | SWSE | 28 | 9 | 21 | | U-0576 | FED. | 43-047-32065 |
| NBU #167 | SESW | 25 | 9 | 21 | | ST U-01194 | STATE | 43-047-32054 |
| NBU #168 | NWSW | 12 | 10 | 20 | | U-4478 | FED. | 43-047-32117 |
| NBU #169 | SESW | 12 | 10 | 20 | | U-4478 | FED. | 43-047-32118 |

13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

| WELL # | LOCATION | QUAD | SEC | TWP | RGE | STATE OR BLM LEASE # | SURFACE | API NUMBER |
|---------------------|----------|------|-----|-----|-----|-------------------------|---------|---------------|
| NBU #170 | NWNW | 4 | 10 | 22 | | U-01191-A | FED. | 43-047-32169 |
| NBU #171 | SENE | 5 | 10 | 22 | | U-01191-A | FED. | 43-047-32115 |
| NBU #172 | NENE | 19 | 9 | 22 | | U-0284 | UTE | 43-047-32194 |
| NBU #173 | NWNE | 33 | 9 | 22 | | U-01191-A | FED. | 43-047-32116 |
| NBU #174 | NWNW | 11 | 9 | 21 | | U-0141315 | UTE | 43-047-32193 |
| NBU #175 | NENW | 28 | 9 | 21 | | U-0576 | FED. | 43-047-32143 |
| NBU #176 | SWNW | 28 | 9 | 21 | | U-0576 | FED. | 43-047-32144 |
| NBU #177 | NESE | 29 | 9 | 21 | | U-0581 | FED. | 43-047-32112 |
| NBU #178 | NWNE | 30 | 9 | 21 | | U-0581 | FED. | 43-047-32121 |
| NBU #179 | SWSW | 10 | 10 | 21 | | U-01416-A | FED. | 43-047-32145 |
| NBU #180 | SWSE | 10 | 10 | 22 | | U-025187 | FED. | 43-047-32113 |
| NBU #181 | SESW | 9 | 9 | 21 | | U-0576 | UTE | 43-047-32161 |
| NBU #182 | SENW | 11 | 9 | 21 | | U-0141315 | UTE | 43-047-32162 |
| NBU #183 ✓ | SWNW | 27 | 9 | 21 | ST | U-01194-A | STATE | 43-047-32122 |
| NBU #184 | SESW | 30 | 9 | 22 | | U-463 | FED. | 43-047-32170 |
| NBU #185 | SWNE | 3 | 10 | 22 | | U-01191-A | FED. | 43-047-32171 |
| NBU #186 | SENE | 30 | 9 | 22 | | U-463 | FED. | 43-047- |
| NBU #187 | SESW | 34 | 9 | 22 | | U-0149077 | FED. | 43-047- |
| NBU #188 | SWSW | 10 | 10 | 22 | | U-01196-C | FED. | 43-047- |
| NBU #189 | SESW | 23 | 9 | 21 | | U-0149075 | UTE | 43-047- |
| NBU #190 ✓ | NWNE | 26 | 9 | 21 | ST | U-01194 | STATE | 43-047- |
| CIGE 110-7-9-21 | SWSE | 7 | 9 | 21 | | U-0575-B | UTE | 43-047-31959 |
| CIGE 111-13-9-21 | SESW | 13 | 9 | 21 | | U-01193 | UTE | 43-047-31954 |
| CIGE 112-19-9-21 | SESE | 19 | 9 | 21 | | U-0581 | UTE | 43-047-31945 |
| CIGE 113-21-9-21 | SWNE | 21 | 9 | 21 | | U-0576 | UTE | 43-047-31944 |
| CIGE 114-34-9-21 ✓ | NESE | 34 | 9 | 21 | ST | U-01194-A | STATE | 43-047-31915 |
| CIGE 115-35-9-21 ✓ | NWNE | 35 | 9 | 21 | ST | ML-22582 | STATE | 43-047-31918 |
| CIGE 116-29-9-22 ✓ | NWSW | 29 | 9 | 22 | ST | ML-22935 | STATE | 43-047-31919 |
| CIGE 117-34-9-22 | SWNW | 34 | 9 | 22 | | U-0149077 | FED. | 43-047-31928 |
| CIGE 118-35-9-22 | NESE | 35 | 9 | 22 | | U-010954A | FED. | 43-047-32025 |
| CIGE 119-15-10-21 | NENE | 15 | 10 | 21 | | U-01416-A | FED. | 43-047-31927 |
| CIGE 120-15-9-20 | SENE | 15 | 9 | 20 | | U-0144868 | UTE | 43-047-32032 |
| CIGE 121-15-9-20 | NWNE | 15 | 9 | 20 | | U-0144868 | UTE | 43-047-32031 |
| CIGE 122-7-9-21 | NENE | 7 | 9 | 21 | | U-0149767 | UTE | 43-047-32098 |
| CIGE 123-7-9-21 | SWNE | 7 | 9 | 21 | | U-0575-B | UTE | 43-047-32047 |
| CIGE 124-9-9-21 | NWSE | 9 | 9 | 21 | | U-01188 | UTE | 43-047-32045 |
| CIGE 125-13-9-21 | NWNW | 13 | 9 | 21 | | U-01193 | UTE | 43-047-32084 |
| CIGE 126-13-9-21 | NWSW | 13 | 9 | 21 | | U-01193 | UTE | 43-047-32087 |
| CIGE 127-16-9-21 | NESW | 16 | 9 | 21 | ST | ML-3141 | UTE | 43-047-32036 |
| CIGE 128-18-9-21 | NENE | 18 | 9 | 21 | | U-0575 | UTE | 43-047-32046 |
| CIGE 129-18-9-21 | NENW | 18 | 9 | 21 | | U-0581 | UTE | 43-047-32043 |
| CIGE 130-19-9-21 | NENE | 19 | 9 | 21 | | U-0581 | UTE | 43-047-32030 |
| CIGE 131-19-9-21 | SWNE | 19 | 9 | 21 | | U-0581 | UTE | 43-047-32029 |
| CIGE 132-20-9-21 | NWSW | 20 | 9 | 21 | | U-0575 | UTE | 43-047-32028 |
| CIGE 133-35-9-21 ✓ | SWSE | 35 | 9 | 21 | ST | ML-22582 | STATE | 43-047-31978 |
| CIGE 134-1-10-20 | SWSW | 1 | 10 | 20 | | U-02270-A | FED. | 43-047-31989 |
| CIGE 135-3-10-21 | SWSW | 3 | 10 | 21 | | U-0149078 | FED. | 43-047-32001 |
| CIGE 136-4-10-21 ✓ | SWNE | 4 | 10 | 21 | ST | ML-22940 | STATE | 43-047-31979 |
| CIGE 137-6-10-21 | SENE | 6 | 10 | 21 | | U-01791 | FED. | 43-047-31988 |
| CIGE 138A-6-10-21 | SENW | 6 | 10 | 21 | | U-01791 | FED. | 43-047-31987 |
| CIGE 139-10-10-21 | SWNE | 10 | 10 | 21 | | U-0149079 | FED. | 43-047-31986 |
| CIGE 140-16-10-21 ✓ | NENE | 16 | 10 | 21 | ST | ML-10755 | STATE | 43-047-31977 |
| CIGE 141-7-10-22 ✓ | NWNE | 7 | 10 | 22 | ST | ML-23609 | STATE | 43-047-31970 |
| CIGE 142-25-9-21 ✓ | SENE | 25 | 9 | 21 | ST | U-01189 | STATE | 43-047-31994 |
| CIGE 143-34-9-21 ✓ | SWNE | 34 | 9 | 21 | ST | U-01194-A | STATE | 43-047-31995 |
| CIGE 144-2-10-22 ✓ | SWNE | 2 | 10 | 22 | ST | ML-22651 | STATE | 43-047-32022 |
| CIGE 145-29-9-22 ✓ | SENW | 29 | 9 | 22 | ST | ML-22935 | STATE | 43-047-31993 |
| CIGE 146-16-10-21 ✓ | NWNE | 16 | 10 | 21 | ST | ML-10755 | STATE | 43-047-32021 |
| CIGE 147-36-9-22 ✓ | SESW | 36 | 9 | 22 | ST | ML-22650 | STATE | 43-047-32020 |
| CIGE 148-31-9-22 ✓ | NWNE | 31 | 9 | 22 | ST | ML-22935-A | STATE | 43-047-32024 |
| CIGE 149-8-10-21 | NWNE | 8 | 10 | 21 | | U-01791 | FED. | 43-047-32056 |
| CIGE 150-9-10-21 | SWNE | 9 | 10 | 21 | | U-01416 | FED. | 43-047-32058 |
| CIGE 151-10-10-21 | SWSE | 10 | 10 | 21 | | U-0149079 | FED. | 43-047-32059 |
| CIGE 152-33-9-22 | SESW | 33 | 9 | 22 | | U-01191-A | FED. | 43-047-32068 |
| CIGE 153-35-9-22 | SESW | 35 | 9 | 22 | | U-010954-A | FED. | 43-047-32067 |
| CIGE 154-13-10-20 | NWNW | 13 | 10 | 20 | | U-4485 | STATE | 43-047-32119 |
| CIGE 155-9-9-21 | SENE | 9 | 9 | 21 | | U-01188-B | UTE | 43-047-32157 |

13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

| WELL # | LOCATION | STATE OR BLM | API |
|-------------------|---------------|--------------|--------------------|
| QUAD SEC TWP RGE | LEASE # | SURFACE | NUMBER |
| CIGE 156-16-9-21 | NESE 16 9 21 | ST ML-3282 | UTE 43-047-32195 |
| CIGE 157-16-9-21 | SWNW 16 9 21 | U-38409 | UTE 43-047-32160 |
| CIGE 158-21-9-21 | NESE 21 9 21 | U-0576 | UTE 43-047-32158 |
| CIGE 159-6-10-21 | NWNE 6 10 21 | U-01791 | FED. 43-047-32120 |
| CIGE 160-14-10-21 | SWSE 14 10 21 | U-01393-C | FED. 43-047-32124 |
| CIGE 161-2-10-22 | SESE 2 10 22 | ST ML-22651 | STATE 43-047-32168 |
| CIGE 162-36-9-22 | SESE 36 9 22 | ST ML-22650 | STATE 43-047-32164 |
| CIGE 163-15-9-21 | SENE 15 9 21 | U-01193 | UTE 43-047-32192 |
| CIGE 164-34-9-22 | NWNE 34 9 22 | U-0149077 | FED. 43-047-32141 |
| CIGE 165-1-10-20 | SWNW 1 10 20 | U-02270-A | FED. 43-047-32114 |
| CIGE 166-3-10-21 | NENW 3 10 21 | U-0149078 | FED. 43-047-32172 |
| CIGE 167-7-10-21 | NENE 7 10 21 | U-01791 | FED. 43-047-32142 |
| CIGE 168-16-10-21 | NWSE 16 10 21 | ST ML-10755 | STATE 43-047-32123 |
| CIGE 169-2-10-21 | SENE 2 10 21 | ST ML-22652 | STATE 43-047- |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

B. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P. O. Box 749, Denver, Colorado 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

454' FNL, 1154' FWL (NW $\frac{1}{4}$ NW $\frac{1}{4}$) Section 11, T9S, R21E

At proposed prod. zone

Same As Above

43-047-32193

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately Ten (10) Miles South/Southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)

454'

16. NO. OF ACRES IN LEASE

800

17. NO. OF ACRES ASSIGNED

TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1100'±

19. PROPOSED DEPTH

6625'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4856' GR

22. APPROX. DATE WORK WILL START*

May 10, 1992

23.

(ALL NEW)

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------|
| 12-1/4" | 8-5/8" K-55 | 24.0# | 0- 250' | 180 sx Circ. to Surface * |
| 7-7/8" | 5-1/2" K-55 | 17.0# | 0-6625' | 570 sx Circ. to Surface * |

* Cement volumes may change due to hole size.
Calculate from Caliper log.

JUN 25 1992

FEB 1992

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF
OIL GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #174, Federal Lease # UTU-0141315. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond # CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Charles E. Mowry
Charles E. Mowry

TITLE

District Drilling Manager

DATE

Jan. 30, 1992

PERMIT NO.

APPROVAL DATE

APPROVED BY

Harry Frazier

TITLE

ASSISTANT DISTRICT
MANAGER MINERALS

DATE

6/23/92

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DATE:

**REPLY TO
ATTN OF:**

SUBJECT:

TO:

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 174

Lease Number: U-0141315

Location: NWNW Sec. 11 T. 9S R. 21E

Surface Ownership: Tribal Lands administered by BIA

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxillary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale, identified at \pm 371 ft.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be

allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) and bond quality for the production casing.

6. Notification of Operations

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kenczka (801) 781-1190
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 789-3634

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

B. SURFACE USE PROGRAM

1. Additional Surface Stipulations

The operator may be required to use a closed production system if a determination is made that a disposal pit does not meet NTL-2B requirements. This determination will be made prior to building the production facility by an Authorized Officer from both BIA and the Ute Tribe.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: COASTAL 43-047-32193

WELL NAME: NBU 174

Section 11 Township 9S Range 21E County UINTAH

Drilling Contractor COASTAL

Rig # 2

SPUDDED: Date 7/29/92

Time 12:00 NOON

How DRY HOLE

Drilling will commence

Reported by DOUG W/LEON ROSS CONST.

Telephone # 1-722-4469

Date 7/29/92 SIGNED JLT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

U-0141315

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #174

9. API Well No.

43-047-32193

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Coastal Oil & Gas Corporation

3. Address and Telephone No.
P.O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
454' FNL & 1154' FWL (NW/NW)
Section 11, T9S, R21E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice or Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Report of Spud
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

MIRU Leon Ross Drlg. Spud surface hole at 12:00 PM, 7/29/92. Drld 12-1/4" hole to 253' GL. Ran 6 jts 8-5/8" 24# K55 ST&C csg & set @ 263' KB. Cmted w/150 sx Type V Prem + AG cmt + add.

RECEIVED

AUG - 7 1992

DIV. OIL, GAS, MINING

14. I hereby certify that the foregoing is true and correct

Signed

Title

Regulatory Analyst

Date

8/5/92

(This space for Federal or State Office Use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation
ADDRESS P.O. Box 749
Denver, CO 80201-0749

OPERATOR ACCT. NO. H 0230

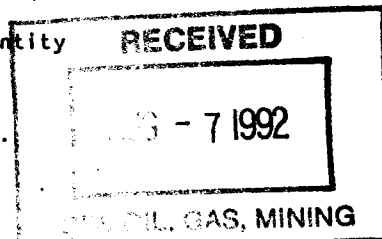
| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|--|--------------------|----------------|--------------|-----------|---------------|----|----|-----|--------|-----------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| B | 2900 | → | 43-047-32193 | NBU #174 | NW/NW | 11 | 9S | 21E | Uintah | 7/29/92 | 7/29/92 |
| WELL 1 COMMENTS: Entity added 8-11-92. <i>gk</i> | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 2 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 3 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 4 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 5 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)



Eileen Danni Dey
Signature Eileen Danni Dey
Regulatory Analyst 8/5/92
Title Date
Phone No. (303) 573-4476

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

SEP 04 1992

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

DIVISION OF
WILDLIFE, FISH & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

| | |
|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Designation and Serial No. U-0141315 |
| 2. Name of Operator Coastal Oil & Gas Corporation | 6. If Indian, Allottee or Tribe Name N/A |
| 3. Address and Telephone No. P.O. Box 749 Denver, CO 80201-0749 (303) 573-4479 | 7. If Unit or CA. Agreement Designation Natural Buttes Unit |
| 4. Location of Well (Fontage, Sec., T., R., M., or Survey Description) 454' FNL & 1154' FWL (NW/NW) Section 11, T9S, R21E | 8. Well Name and No. NBU #174 |
| | 9. API Well No. 43-047-32193 |
| | 10. Field and Pool, or Exploratory Area Natural Buttes |
| | 11. County or Parish, State Uintah County, Utah |

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | |
|--|---|
| <input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>Report of Operations</u> | <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water |
|--|---|

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological history for the drilling operations performed on the above-referenced well.

14. I hereby certify that the foregoing is true and correct

| | | |
|--|---------------------------------|--------------------|
| Signed <u>[Signature]</u> | Title <u>Regulatory Analyst</u> | Date <u>9/1/92</u> |
| (This space for Federal or State office use) | | |
| Approved by _____ | Title _____ | Date _____ |
| Conditions of approval, if any: | | |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

RECEIVED

SEP 04 1992

NBU #174
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
COASTALDRIL #2
WI: 55.00% COGC AFE: 13688
ATD: 6625' (WASATCH) SD: 8/13/92
CSG: 8-5/8" @ 263'; 5 1/2" @ 6623'
DHC(M\$): 181.5

DIVISION OF
OIL GAS & MINING

8/2/92 263' WORT. Spud well at 12 noon w/Leon Ross Drlg Co. Drill 12-1/4" hole to 253' GL. RIH w/6 jts 8-5/8" 24# K-55 8rd ST&C csg. Tally ran 252.03'. Set at 263' KB. Cmt csg w/Howco 150 sx type V Prem + AG w/2% CaCl₂, 1/4#/sx Flocele. Displace w/14.8 bbls wtr. Circ 6 bbls cmt to pit. CC: \$23,844.

8/14/92 850' Drlg 587'/7 hrs. Test BOP to 2000 psi. Test hydril and csg to 1500 psi. PU BHA. Drill cmt, tag at 219'. Drlg, spud well at 10:30 p.m., 8/13/92. Svy: 3/4 deg @ 530'. Air mist, 700 CFM + 15 GPM. CC: \$58,107.

8/15/92 2120' Drlg 1270'/20 1/2 hrs. Drlg, RS, CHK BOP and svy: 1 deg @ 1071'; 1 deg @ 1967'. XO to aerated wtr at 1431'. Drlg, TFNB, fill DP, W&R 30', no fill. Drlg w/aerated wtr, CM 700. CC: \$70,194.

8/16/92 3090' Drlg 970'/23 1/2 hrs. Drlg, RS, CHK BOP. Drlg w/aerated wtr. CFM 700. CC: \$78,364.

8/17/92 4260' Drlg 1170'/23 hrs. Drlg, RS, CHK BOP and svy: 2 1/2 deg @ 3593'; 2 1/2 deg @ 4005'. Drlg w/aerated wtr, CFM 1400. CC: \$86,816.

8/18/92 5500' Drlg 1240'/23 1/2 hrs. Drlg, RS and chk BOPE and svy. Drlg w/aerated DAP, AIR 1400 CFM. CC: \$96,632.

8/19/92 6225' Drlg 725'/18 hrs. Drlg, svy: 1-3/4 deg @ 5549'. TFNB, W&R 45' to btm (20' fill). Drlg brks from 6021-6036' & 6100-6110'. Aerated DAP wtr (6.5 PPB). CC: \$109,066.

8/20/92 6625' TIH w/bit to clean out bridge. 400'/11 hrs. Drlg, RS, chk BOPE. Drlg, circ. Short trip 20 stds and wash 60' to btm (10' fill). Circ, drop svy, TOH and SLM BHA, no corr. RU Atlas WL to run open hole logs. RIH w/logging tool and hit bridge at 5404'. POH w/tool. TIH w/bit. Drlg brks from 6201-6220' & 6381-6392'. Svy: 2 deg @ 6600'. 6 ppb DAP wtr. CC: \$118,198.

8/21/92 6625' Circ & cond hole w/mud. TIH w/bit to bridge at 5400'. W&R from 5400' to 6625'. Circ hole and W/O pre-mixed mud. Displace hole w/800 bbls 10.7 ppg, 55 vis and 10 F(cc) mud and circ system. Short trip 25 stds, no drag or fill. Circ hole and cond to run open hole logs. MW 10.1, VIS 40, WL 8, PV 23, YP 14, 9.5 PH, CL 1900, CA 80, GELS 6, 10" 24, CAKE 2. CC: \$137,944.

8/22/92 6625' Circ csg. Prep to cmt 5-1/2" csg. TOOH for logs. RU Atlas WL. Log open hole. RS, chk BOP's. TIH w/DC's, LD DC's. TIH w/DP. LD DP. RU csg tools. RIH w/155 jts 5-1/2" 17# J-55 8rd LT&C csg, 6627.44'. Circ csg. CC: \$197,346.

8/23/92 6625' WOCU. Circ csg w/rig pmp. Cmt 5-1/2" csg w/Howco. Pmp 30 bbls mud flush, mix and pmp 465 sx Type 5 Hi-Fill std w/.3% HR-7, 1#/sx Capseal, Tail w/ 605 sx Type H 50-50 Poz w/2% gel, 10% salt BWOW, .6% Hal-24, .2% CFR-3, 1#/sx Capseal, 1/4#/sx Flocele. Circ 93 bbls cmt to surf. Bump plug to 2500#, 500# over. Floats held. Set at 6623'. FC @ 6581'. Flush stack. Clean tanks, ND BOP's. Set csg slips w/100,000#. Cut off csg. Rig released at 10:00 a.m., 8/26/92. CC: \$228,270.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: COASTAL 43-047-32193

WELL NAME: NBU 174

Section 11 Township 9S Range 21E County UINTAH

Drilling Contractor CHANDLER

Rig # 1

SPUDDED: Date 9/17/92

Time 10:00 AM

How DRY HOLE

Drilling will commence

Reported by NEIL W/LEON ROSS CONST

Telephone # 1-722-4469

Date 9/17/92 SIGNED JLT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

| | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|---|--|---|--|--|--|---|--|--|--|-------------------------------------|--|--|--|---|--|--|--|---|--|--------------------------|--|
| 1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> | | 2. NAME OF OPERATOR Coastal Oil & Gas Corporation | | 3. ADDRESS OF OPERATOR P.O. Box 749 Denver, CO 80201-0749 | | 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 454' FNL & 1154' FWL (NW/NW) At top prod. interval reported below Same as above. At total depth Same as above. | | 5. LEASE DESIGNATION AND SERIAL NO. U-0141315 | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A | | 7. UNIT AGREEMENT NAME Natural Buttes Unit | | 8. FARM OR LEASE NAME NBU | | 9. WELL NO. 174 | | 10. FIELD AND POOL, OR WILDCAT Natural Buttes | | 11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Section 11, T9S, R21E | | 12. COUNTY OR PARISH Uintah | | 13. STATE Utah | |
| 15. DATE SPUDDED 8/1/92 | | 16. DATE T.D. REACHED 8/19/92 | | 17. DATE COMPL. (Ready to prod.) 10/19/92 | | 18. ELEVATIONS (OF. HND. ST. GR. ETC.)* 4856' GR | | 19. ELEV. CASINGHEAD | | 20. TOTAL DEPTH, MD & TVD 6625' | | 21. PLUG BACK T.D., MD & TVD 6567' | | 22. IF MULTIPLE COMPL., HOW MANY* | | 23. INTERVALS DRILLED BY SFC-TD | | 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5548-6372' Wasatch | | 25. WAS DIRECTIONAL SURVEY MADE No | | 26. TYPE ELECTRIC AND OTHER LOGS RUN DLL/Cal/GR; CDL/CN/GR; CBL-CCL-GR | | 27. WAS WELL CURED No | |
| 28. CASING RECORD (Report all strings set in well) | | | | | | | | | | | | | | | | | | | | | | | | | |
| CASING SIZE | | WEIGHT, LB./FT. | | DEPTH SET (MD) | | HOLE SIZE | | CEMENTING RECORD | | AMOUNT PULLED | | | | | | | | | | | | | | | |
| 8-5/8" | | 24# | | 263' | | 12-1/4" | | 150 sx Type V Prem + AG | | None | | | | | | | | | | | | | | | |
| 5-1/2" | | 17# | | 6623' | | 7-7/8" | | 1070 sx HiFill & 50/50 Poz | | None | | | | | | | | | | | | | | | |
| 29. LINER RECORD | | | | | | | | | | | | | | | | | | | | | | | | | |
| SIZE | | TOP (MD) | | BOTTOM (MD) | | BACKS CEMENT* | | SCREEN (MD) | | 30. TUBING RECORD | | | | | | | | | | | | | | | |
| | | | | | | | | | | SIZE | | DEPTH SET (MD) | | PACKED SET (MD) | | | | | | | | | | | |
| | | | | | | | | | | 2-3/8" | | 5480' | | | | | | | | | | | | | |
| 31. PERFORATION RECORD (Interval, size and number of perforations w/4") csg gun 1 JSPF @ following depths: 5548' 6186' 6372' 6083' 6190' 6090' 6201' 6175' 6368' | | | | | | | | | | | | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | | | | | | | | | | | | | |
| | | | | | | | | | | | | DEPTH INTERVAL (MD) | | AMOUNT AND KIND OF MATERIAL USED | | | | | | | | | | | |
| | | | | | | | | | | | | 5548-6372' | | 29 bbls 15% HCL & 30 B.S.'s | | | | | | | | | | | |
| | | | | | | | | | | | | 5548-6372' | | 46,630 gals 40# gel; 135,300# | | | | | | | | | | | |
| | | | | | | | | | | | | | | 20/40 sand; 79 tons CO ₂ | | | | | | | | | | | |
| 33. PRODUCTION | | | | | | | | | | | | | | | | | | | | | | | | | |
| DATE FIRST PRODUCTION 10/9/92 | | | | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing | | | | | | | | | | | | WELL STATUS (Producing or shut-in) SI | | | | | | | | | |
| DATE OF TEST 10/19/92 | | HOURS TESTED 24 | | CHOKE SIZE 18/64" | | PROD'N. FOR TEST PERIOD → | | OIL—BSL. 0 | | GAS—MCF. 2500 | | WATER—BSL. 0 | | GAS-OIL RATIO N/A | | | | | | | | | | | |
| FLOW. TUBING PRESS. 1225 | | CASING PRESSURE 1050 | | CALCULATED 24-HOUR RATE → | | OIL—BSL. 0 | | GAS—MCF. 2500 | | WATER—BSL. 0 | | OIL GRAVITY-APT (CORR.) N/A | | | | | | | | | | | | | |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SIWOPLC | | | | | | | | | | | | TEST WITNESSED BY D. Dillon | | | | | | | | | | | | | |
| 35. LIST OF ATTACHMENTS Chronological history. | | | | | | | | | | | | | | | | | | | | | | | | | |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records | | | | | | | | | | | | | | | | | | | | | | | | | |
| SIGNED Eileen Danni Dev | | TITLE Regulatory Analyst | | | | | | | | | | | | DATE 11/19/92 | | | | | | | | | | | |

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

| 38. GEOLOGIC MARKERS | | | | | | | |
|---|-----------|-----|--------|-----------------------------|---------|-------------|------------------|
| | FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
| | | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| 37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries): | | | | | Wasatch | 5327' | 5327' |

THE COASTAL CORPORATION
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

PAGE 2

NBU #174
NW/NW SECTION 11, T9S-R21E
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 55.00% COGC AFE: 13688
TD: 6625' (WASATCH) SD: 8/13/92
CSG: 5-1/2" @ 6623'
PERFS: 5548'-6372'
CWC(M\$): 387.7

8/24/92 WOCU. Drop from report until further activity.
TC: \$228,270

10/6/92 WO completion rig. MIRU Cutters WLS. Ran CBL-CCL-GR log from 6512' to surface w/1000 psi on csg. Good bond. TOC @ 30'. RDMO WL.
DC: \$22,980 TC: \$251,250

10/8/92 Prep to perf. MIRU Well Tech rig #565. NU BOP. PU & RIH w/4-3/4" mill & 2-3/8" tbg. Tag PBTD @ 6567'. Circ hole w/150 bbls 3% KCl wtr. POH w/tbg & mill. PT csg to 5000 psi, OK.
DC: \$3,700 TC: \$254,950

10/9/92 Flow back after acid breakdown. RU Cutters WLS. Perf 9 holes 5548'-6372' w/4" csg gun. RIH w/tbg to 6370'. RU Smith Energy. Spot 19 bbls 15% HCl across perfs. PU tbg to 5480'. ND BOP, NU WH. Breakdown perfs w/29 bbls 15% HCl + 30 BS's. BD @ 2070 psi. Treat @ 8 BPM @ 4200 psi. Ball action to 5000 psi, did not ball off. ISIP 1170 psi, 15 min 580 psi. Flwd to pit 1-1/2 hrs, rec 40 BW. Made 20 swab runs, rec 120 BW. Flwd overnight on 20/64" chk. 241 BLTBR. Tbg - 167 jts landed @ 5480' w/notched collar on btm, SN 1-jt above & 10' blast jt on top.
DC: \$24,140 TC: \$279,090

10/9/92 Flwg 200 MCFD dry gas, FTP 100 psi, CP 400 psi, 20/64" chk.

10/10/92 SI, WO frac. Flwd 430 MCFD dry gas, FTP 175 psi, CP 250 psi, 20/64" chk. Shut-in @ 1:30 p.m., 10/9/92. RDMO Well Tech rig #565. Drop from report.
DC: \$200 TC: \$279,290

10/17/92 Flow back after frac. MIRU Howco. Frac well w/46,630 gals 40# gel w/135,300# 20/40 sand w/30% to 18% CO₂ (79 tons of CO₂ total). AIR 25 BPM, AIP 2750 psi. ISIP 1550 psi, 5 min 1470 psi, 10 min 1460 psi, 15 min 1420 psi. Open well to flow back at 1:30 p.m., 10/16/92.
DC: \$44,300 TC: \$323,590

10/17/92 Flwg 2.5 MMCFD CO₂, FTP 1275 psi, CP 950 psi, 18/64" chk, 1 BWPD.

10/18/92 Flwg 2.5 MMCFD CO₂, FTP 1350 psi, CP 1150 psi, 18/64" chk, 15 BWPD.

10/19/92 Flwg 2.5 MMCFD, FTP 1225 psi, CP 1050 psi, 18/64" chk, 1t mist.

10/20/92 SI, WOPLC. Flwd 2.4 MMCFD dry gas, FTP 1250 psi, CP 950 psi, 18/64" chk. Well SI @ 1:00 p.m., 10/19/92. Drop from report.

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #174
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
COASTALDRIL #2
WI: 55.00% COGC AFE: 13688
ATD: 6625' (WASATCH) SD: 8/13/92
CSG: 8-5/8" @ 263'; 5 1/2" @ 6623'
DHC(M\$): 181.5

8/2/92 263' WORT. Spud well at 12 noon w/Leon Ross Drlg Co. Drill 12-1/4" hole to 253' GL. RIH w/6 jts 8-5/8" 24# K-55 8rd ST&C csg. Tally ran 252.03'. Set at 263' KB. Cmt csg w/Howco 150 sx type V Prem + AG w/2% CaCl₂, 1/4#/sx Flocele. Displace w/14.8 bbls wtr. Circ 6 bbls cmt to pit. CC: \$23,844.

8/14/92 850' Drlg 587'/7 hrs. Test BOP to 2000 psi. Test hydril and csg to 1500 psi. PU BHA. Drill cmt, tag at 219'. Drlg, spud well at 10:30 p.m., 8/13/92. Svy: 3/4 deg @ 530'. Air mist, 700 CFM + 15 GPM. CC: \$58,107.

8/15/92 2120' Drlg 1270'/20 1/2 hrs. Drlg, RS, CHK BOP and svy: 1 deg @ 1071'; 1 deg @ 1967'. XO to aerated wtr at 1431'. Drlg, TFNB, fill DP, W&R 30', no fill. Drlg w/aerated wtr, CM 700. CC: \$70,194.

8/16/92 3090' Drlg 970'/23 1/2 hrs. Drlg, RS, CHK BOP. Drlg w/aerated wtr. CFM 700. CC: \$78,364.

8/17/92 4260' Drlg 1170'/23 hrs. Drlg, RS, CHK BOP and svy: 2 1/2 deg @ 3593'; 2 1/4 deg @ 4005'. Drlg w/aerated wtr, CFM 1400. CC: \$86,816.

8/18/92 5500' Drlg 1240'/23 1/2 hrs. Drlg, RS and chk BOPE and svy. Drlg w/aerated DAP, AIR 1400 CFM. CC: \$96,632.

8/19/92 6225' Drlg 725'/18 hrs. Drlg, svy: 1-3/4 deg @ 5549'. TFNB, W&R 45' to btm (20' fill). Drlg brks from 6021-6036' & 6100-6110'. Aerated DAP wtr (6.5 PPB). CC: \$109,066.

8/20/92 6625' TIH w/bit to clean out bridge. 400'/11 hrs. Drlg, RS, chk BOPE. Drlg, circ. Short trip 20 stds and wash 60' to btm (10' fill). Circ, drop svy, TOH and SLM BHA, no corr. RU Atlas WL to run open hole logs. RIH w/logging tool and hit bridge at 5404'. POH w/tool. TIH w/bit. Drlg brks from 6201-6220' & 6381-6392'. Svy: 2 deg @ 6600'. 6 ppb DAP wtr. CC: \$118,198.

8/21/92 6625' Circ & cond hole w/mud. TIH w/bit to bridge at 5400'. W&R from 5400' to 6625'. Circ hole and W/O pre-mixed mud. Displace hole w/800 bbls 10.7 ppg, 55 vis and 10 F(cc) mud and circ system. Short trip 25 stds, no drag or fill. Circ hole and cond to run open hole logs. MW 10.1, VIS 40, WL 8, PV 23, YP 14, 9.5 PH, CL 1900, CA 80, GELS 6, 10" 24, CAKE 2. CC: \$137,944.

8/22/92 6625' Circ csg. Prep to cmt 5-1/2" csg. TOOH for logs. RU Atlas WL. Log open hole. RS, chk BOP's. TIH w/DC's, LD DC's. TIH w/DP. LD DP. RU csg tools. RIH w/155 jts 5-1/2" 17# J-55 8rd LT&C csg, 6627.44'. Circ csg. CC: \$197,346.

8/23/92 6625' WOCU. Circ csg w/rig pmp. Cmt 5-1/2" csg w/Howco. Pmp 30 bbls mud flush, mix and pmp 465 sx Type 5 Hi-Fill std w/.3% HR-7, 1#/sx Capseal, Tail w/ 605 sx Type H 50-50 Poz w/2% gel, 10% salt BWOW, .6% Hal-24, .2% CFR-3, 1#/sx Capseal, 1/4#/sx Flocele. Circ 93 bbls cmt to surf. Bump plug to 2500#, 500# over. Floats held. Set at 6623'. FC @ 6581'. Flush stack. Clean tanks, ND BOP's. Set csg slips w/100,000#. Cut off csg. Rig released at 10:00 a.m., 8/26/92. CC: \$228,270.

UTAH DIVISION OF OIL, GAS AND MINING EQUIPMENT INVENTORY

Operator: COASTAL OIL & GAS CORP Lease: State: Federal: ☒ Indian: Fee:

Well Name: NBU 174 API Number: 43-047-32193

Section: 11 Township: 9S Range: 21E County: UINTAH Field: NATURAL BUTTES

Well Status: PGW Well Type: Oil: Gas: ☒

PRODUCTION LEASE EQUIPMENT: CENTRAL BATTERY:

☒ Well head Boiler(s) Compressor Separator(s)
☒ Dehydrator(s) ☒ Shed(s) Line Heater(s) Heated Separator
 VRU Heater Treater(s)

PUMPS:

 Triplex Chemical Centrifugal

LIFT METHOD:

 Pumpjack Hydraulic Submersible Flowing

GAS EQUIPMENT:

☒ Gas Meters Purchase Meter ☒ Sales Meter

TANKS: NUMBER SIZE

| | | |
|--|---|------|
| <u> </u> Oil Storage Tank(s) | <u> </u> | BBLS |
| <u> </u> Water Tank(s) | <u> </u> | BBLS |
| <input checked="" type="checkbox"/> Power Water Tank | <u> </u> | BBLS |
| <u> </u> Condensate Tank(s) | <u>1-100 BARREL CONDENSATE</u> | BBLS |
| <u> </u> Propane Tank | <u> </u> | |

REMARKS: DEHYDRATOR & GAS METER HOUSED IN SINGLE SHED.

Location central battery: Qtr/Qtr: Section: Township: Range:

Inspector: DENNIS INGRAM Date: 5/10/93

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

Lease Designation and Serial No.

U-0141315

Indian, Aliotes or Tribe Name

N/A

If Unit or CA, Agreement Designation

Natural Buttes Unit

Well Name and No.

NBU #174

API Well No.

43-047-32193

Field and Pool, or Exploratory Area

Natural Buttes

County or Parish, State

Uintah County, UT

SUBMIT IN TRIPLICATE

Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

Name of Operator

Coastal Oil & Gas Corporation

Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749 (303) 573-4476

Location of Well (Fortage, Sec., T., R., M., or Survey Description)

454' FNL & 1,154' FWL (NW/NW)
Section 11-T9S-R21E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other NTL 2B
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report renews or recompletes on Well Completion or Recompletion Report and Log form.)

3. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests permission to install a 400-BBL tank for produced water on the above-referenced well. The produced water will then be hauled off location to an approved disposal pit or disposal well.

Accepted by the State
of Utah Division of
Oil, Gas and Mining

Date: 7-28-93

By: *[Signature]*

RECEIVED

JUL 22 1993

DIVISION OF
OIL GAS & MINING

4. I hereby certify that the foregoing is true and correct

Signed *[Signature]* Title Regulatory Analyst

Date 7/20/93-mar

(This space for Federal or State office use)

Approved by *[Signature]* Federal Approval of this
Conditions of approval, if any: Action is Necessary

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" - for such proposals

5. Lease Designation and Serial No.

See Attached Spreadsheet

6. If Indian, Alottee or Tribe Name

See Attached Spreadsheet

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

See Attached Spreadsheet

9. API Well No.

See Attached Spreadsheet

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

43-047-32193
Uintah County, Utah

See Attached Spreadsheet

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., Or Survey Description)

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

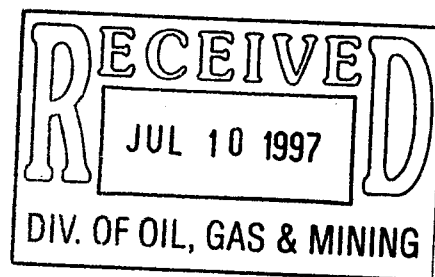
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Dispose of Produced Water

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)

The Operator requests permission to dispose produced water from the referenced wells into storage tanks on the individual locations. The water will subsequently be hauled by truck to Coastal's NBU #159 salt water disposal well located at NESW, Section 35, T9S-R21E, where the produced water will be injected.



14. I hereby certify that the foregoing is true and correct

Signed

Bonnie Carson

Title Senior Environmental Analyst

Date

07/07/97

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

COASTAL OIL & GAS CORPORATION
Attached hereto Sundry Notices and Reports on Wells dated July 7, 1997

| Well Name & No. | API No. | Lease Designation & Serial Number | If Indian, Allottee or Tribe Name | Footages | Qtr/Qtr | Section | Township | Range | Field | County |
|--------------------|--------------|--------------------------------------|---|-----------------------|---------|---------|----------|-------|----------------|--------|
| CIGE #113D-21-9-21 | 43-047-31944 | UTU-0576 | Ute | 2082' FNL & 1849' FEL | SW/NE | 21 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #123-7-9-21 | 43-047-32047 | UTU-0575B | N/A | 1980' FNL & 1980' FEL | SW/NE | 7 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #155-9-21 | 43-047-32157 | UTU-011888 | N/A | 1613' FNL & 766' FEL | SE/NE | 9 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #46-21-9-21 | 43-047-30529 | U-0576 | Ute | 1019' FNL & 778' FEL | NE/NE | 21 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #70-20-9-21 | 43-047-30636 | U-0575 | Ute | 1894' FSL & 804' FEL | NE/SE | 20 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #72-18-9-21 | 43-47-30634 | U-0575 | Ute | 2049' FNL & 2291' FEL | | 18 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #90D-9-9-21J | 43-047-31149 | U-01188-B | Ute | 774' FNL & 1942' FEL | | 9 | 9S | 21E | Natural Buttes | Uintah |
| CIGE #91D-15-9-21J | 43-47-31151 | U-01188 | Ute | 630' FNL & 1652' FEL | NW/NE | 15 | 9S | 21E | Natural Buttes | Uintah |
| NBU #103 | 43-047-31956 | UTU-0141315 | Ute | 2026' FNL & 1932' FWL | SE/NW | 10 | 9S | 21E | Natural Buttes | Uintah |
| NBU #111 | 43-47-31920 | U-01194-ST | N/A | 1982' FNL & 785' FWL | SW/NW | 25 | 9S | 21E | Natural Buttes | Uintah |
| NBU #120 | 43-047-31972 | UTU-0141315 | Ute | 891' FNL & 532' FWL | NW/NW | 10 | 9S | 21E | Natural Buttes | Uintah |
| NBU #132 | 43-047-31938 | U-01194 | N/A | 594' FNL & 850' FWL | NWNW | 26 | 9S | 21E | Natural Buttes | Uintah |
| NBU #142 | 43-047-32013 | UTU-025187 | N/A | 1652' FSL & 1034' FEL | NE/SE | 10 | 10S | 22E | Natural Buttes | Uintah |
| NBU #143 | 43-047-32297 | U-0141315 | Ute | 1752' FNL & 1713' FEL | NW/NE | 10 | 9S | 21E | Natural Buttes | Uintah |
| NBU #15 | 43-047-30204 | ML-10170-01 | N/A | 1805' FWL & 601' FSL | | 26 | 9S | 21E | Natural Buttes | Uintah |
| NBU #174 | 43-47-32193 | U-0141315 | N/A | 454' FNL & 1154' FWL | NW/NW | 11 | 9S | 21E | Natural Buttes | Uintah |
| NBU #20 | 43-047-30250 | U-0576 | N/A | 1330' FSL & 1330' FWL | SW | 28 | 9S | 21E | Natural Buttes | Uintah |
| NBU #205 | 43-047-32795 | ML-23612 | N/A | 2110' FNL & 2607' FEL | SW/NE | 1 | 10S | 21E | Natural Buttes | Uintah |
| NBU #213 | 43-047-32401 | U-025187 | N/A | 908' FNL & 1159' FWL | NW/NW | 15 | 10S | 22E | Natural Buttes | Uintah |
| NBU #217 | 43-047-32480 | U-0576 | Ute | 1978' FSL & 2296' FWL | NE SW | 28 | 9S | 21E | Natural Buttes | Uintah |
| NBU #26 | 43-047-30252 | U-01194-A-ST | N/A | 1320' FSL & 1320' FEL | | 27 | 9S | 21E | Natural Buttes | Uintah |
| NBU #31 | 43-047-30307 | U-01197-A | N/A | 1640' FWL & 1221' FSL | SW/SW | 11 | 10S | 22E | Natural Buttes | Uintah |
| NBU #39 | 43-047-30861 | U-0132568A | N/A | 1019' FWL & 956' FSL | SW/SW | 29 | 10S | 22E | Natural Buttes | Uintah |
| NBU #4 | 43-047-30056 | U-0149075 | N/A | 757' FEL & 1399' FSL | | 23 | 9S | 21E | Natural Buttes | Uintah |
| NBU #99 | 43-47-31745 | U01194-ST | N/A | 660' FSL & 660' FWL | SW/SW | 25 | 9S | 21E | Natural Buttes | Uintah |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

454' FNL & 1154' FWL (NW/NW)
Section 11, T9S-R21E

5. Lease Designation and Serial No.

U-0141315

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 174

9. API Well No.

43-047-32193

10. Field and Pool, or exploratory Area

Natural Buttes

11. County or Parish, State

Uintah Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

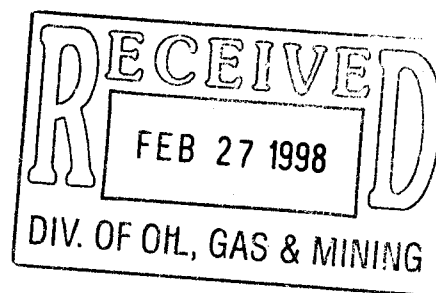
- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other lwr tbg. acdz and install
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

PLE

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please see attached procedure for work to be performed on the subject well.



14. I hereby certify that the foregoing is true and correct

Signed

Bonnie Carson

Title

Bonnie Carson

Sr. Environmental Analyst

Date

2/23/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

NBU #174-11-9-21
NATURAL BUTTES FIELD
SECTION 11 T9S R21E
WORKOVER PROCEDURE *HWM*

WELL DATA

LOCATION: 1454' FNL 1154' FWL SEC. 11 T9S R21E
ELEVATION: 4856' GR., 4868' KB.
TD: 6625', PBTD 6567' (1/92)
CSG: 8-5/8", 24.0#, K-55 @ 263' w/ 150 SX.
5-1/2", 17.0#, J-55 @ 6623' w/ 1070 SX.
TBG: 2-3/8", 4.7#, J-55 @ 5480'
FORMATION(S): WASATCH 5548' - 6372', 9 HOLES (1992)

PROCEDURE

1. MI & RU pulling unit. Blow down & kill well w/ minimum amount of 2% KCL water. ND WH. NU BOP. Record BLTR.
2. **NOTE: Well has not been worked over since being completed in 1992, expect scale.** FL (2/6/98) @ 4520'. POOH w/ 2-3/" tbg.
3. MI & RU Air/Foam unit. RIH w/ 2-3/8" tbg & mill assembly. CO to 6520' (new PBTD). TOOH & LD mill assembly.
4. RIH w/ 2-3/8" tbg w/ NC & SN 1 jt up. RIH to 6372'. RU service company. Spot 20 bbls 15% HCL acid w/ additives across perf's 5548' - 6372' to clean up scale. RD service company. Let acid soak, PU & land 2-3/8" tbg @ 6372' (new EOT).
5. ND BOP. NU WH. RD & MO pulling & Air/foam units. RU swab unit. Swab/flow back to clean up acid.
6. Install plunger lift equipment. Return the well to sales.

ESTIMATED: 6 DAYS
\$27,850

PRODUCING STATUS: FLOWING

WELLHEAD WORKING PRESSURE: 5000

DOWNOLE SCHEMATIC

LEASE: NBL

WELL #: 174

FIELD: Natural Butte

LOCATION:

COUNTY/STATE: Wichita KS

TD: 6625

PSTD: 4547

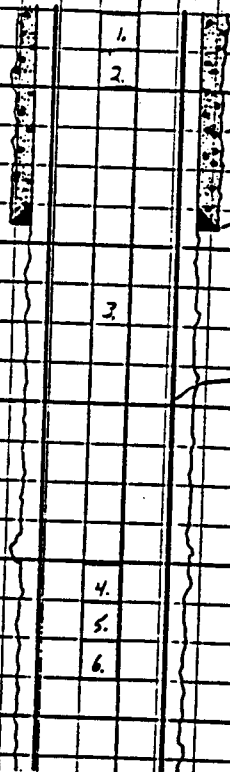
PERFS: 5549 TO 6392

PROD. FORM(S): Perfor

DATE: 10-8-92 BY: RL

KB ELEVATION: 2.00

FORM TOPS



| ITEM | QUANTITY | DEPTHS | GRADE | WEIGHT | CPLG | Etc | O.D. | I.D. |
|------|----------|--------|-------|--------|------|-----|------|------|
|------|----------|--------|-------|--------|------|-----|------|------|

HOLE SIZE: 12 1/4 "

SURFACE CASING:

Q.D. 5 1/2; WEIGHT(S) 24 #

GRADE(S) 1 1/2 CPLG 5 1/2

SET AT 267 W/ 1.50 3X

HOLE SIZE: 5 1/2 IN #

52 17# 6023 10705K.

| | | |
|----|----------------------|----------|
| | KB | 12.00 |
| 1. | Hanger | 1.00 |
| 2. | RIGHT JT | 10.00 |
| 3. | 166 JTS 2 1/2 RND TH | 54 23.03 |
| 4. | SEAT NUT | 1.09 |
| 5. | 1 JT 2 1/2 RND TH | 32.85 |
| 6. | N-Collar | .50 |
| | EAT. C | 54 80.46 |

24 JTS Delivered

167 JTS in hole

441 JTS Returned

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT - " for such proposals

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

U-0141315

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 174

9. API Well No.

43-047-32193

10. Field and Pool, or exploratory Area

Natural Buttes

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

454' FNL & 1154' FWL (NW/NW)
Section 11, T9S-R21E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

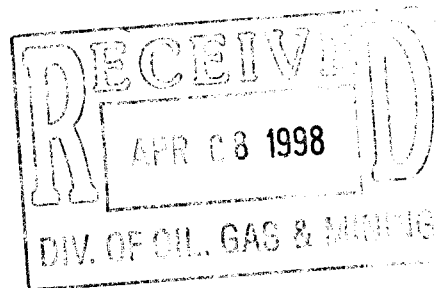
TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other CO. lwr tbq. acdz and
install PLE
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please see attached chronological well history for work performed on the subject well.



14. I hereby certify that the foregoing is true and correct

Signed

Sheila Bremer

Title

Sheila Bremer

Environmental and Safety Analyst

Date

4/6/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

THE COASTAL CORPORATION
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

NBU #174
NW/NW SECTION 11, T9S-R21E
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 55.00% COGC AFE: 13688
TD: 6625' (WASATCH) SD: 8/13/92
CSG: 5-1/2" @ 6623'
PERFS: 5548'-6372'

Page 2

CLEANOUT-LWR TBG-ACIDIZE-PLE

AFE #: 27790

3/22/98 **Prep to acidz.** MIRU CWS #70. Blow dwn & kill well w/20 BBLS 2% KCl wtr. NDWH, NU BOP. PU & RIH w/32 jts tbg. Tag fill @ 6450'. POOH above perfs (EOT @ 5527'). SDFN. CC: \$ 4,060

3/23/98 SDFS.

3/24/98 **Swb.** RU Dowell. Spot 25 BBLS 2% KCl, 20 BBLS 15% HCl w/additives, flush w/26 BBLS 2% KCl. RD. POOH w/tbg. ND BOP, NU WH. RDMO. Install PLE. MIRU SU. Swb 40 BLF/7 hrs/11 runs. IFL 5100', FFL 5500'. SDFN. CC: \$11,984

3/25/98 **On prod.** SITP 50 psi, SICP 295 psi. Blw tbg to tank, died in 5 min. Swb 25 BLF/10 runs. IFL 4900'. Trip plunger 3X. Put well on prod @ 2:30 pm. CC: \$13,583

3/26/98 Flwd 131 MCF, 22 BW, FTP 105#, FCP 187#, 40/64" chk / 24 hrs.

3/27/98 Flwd 170 MCF, 0 BW, FTP 100#, FCP 232#, 40/64" chk / 24 hrs.

3/28/98 Flwd 170 MCF, 7 BW, FTP 96#, FCP 170#, 40/64" chk / 24 hrs.

3/29/98 Flwd 170 MCF, 5 BW, FTP 109#, FCP 160#, 40/64" chk / 24 hrs.

3/30/98 Flwd 166 MCF, 4 BW, FTP 110#, FCP 176#, 40/64" chk / 24 hrs.

3/31/98 Flwd 163 MCF, 3 BW, FTP 125#, FCP 149#, 40/64" chk / 24 hrs.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL ☐ GAS WELL ☐ OTHER ☐

8. WELL NAME and NUMBER:

Exhibit "A"

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

9. API NUMBER:

3. ADDRESS OF OPERATOR:

PHONE NUMBER:

3 South 1200 East CITY Vernal STATE Utah ZIP 84078

435-789-4433

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Name Change

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

This space for State use only

RECEIVED

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 9 2001

DIVISION OF
OIL, GAS AND MINING



0610204 8100

010162788

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1061007

DATE: 04-03-01

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION**

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

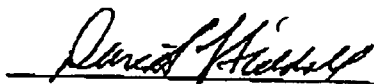
"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION



David L. Siddall
Vice President

Attest:



Margaret E. Roark, Assistant Secretary

RECEIVED

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED

JUL 12 2001

**DIVISION OF
OIL, GAS AND MINING**

In Reply Refer To:

3106

UTSL-065841

(UT-924)

JUL 10 2001

NOTICE

El Paso Production Oil & Gas Company : Oil and Gas
Nine Greenway Plaza :
Houston TX 77046-0095 :

Name Change Recognized

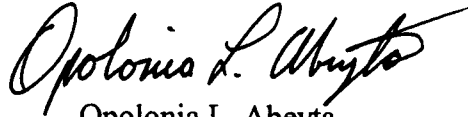
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta
Acting Chief, Branch of
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
~~State of Utah, DOGM~~, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

Exhibit of Leases

| | | | |
|---------------|-------------|-------------|-----------|
| UTUSL-065841A | UTU-47172 | UTU-74415 | UTU-53860 |
| UTU-28652 | UTU-50687 | UTU-74416 | UTU-66401 |
| UTU-37943 | UTU-52298 | UTU-75091 | UTU-67868 |
| UTU-44089 | UTU-0109054 | UTU-75096 | UTU-65389 |
| UTU-44090A | UTU-0143511 | UTU-75097 | UTU-77084 |
| UTU-61263 | UTU-0143512 | UTU-75673 | UTU-61430 |
| UTU-00343 | UTU-38401 | UTU-76259 | UTU-72633 |
| UTU-02651 | UTU-38411 | UTU-76260 | UTU-72650 |
| UTU-02651B | UTU-38418 | UTU-76261 | UTU-49692 |
| UTU-0142175 | UTU-38419 | UTU-76493 | UTU-57894 |
| UTU-70235 | UTU-38420 | UTU-76495 | UTU-76829 |
| UTU-70406 | UTU-38421 | UTU-76503 | UTU-76830 |
| UTU-74954 | UTU-38423 | UTU-78228 | UTU-76831 |
| UTU-75132 | UTU-38424 | UTU-78714 | |
| UTU-75699 | UTU-38425 | UTU-78727 | |
| UTU-76242 | UTU-38426 | UTU-78734 | |
| UTU-78032 | UTU-38427 | UTU-79012 | |
| UTU-4377 | UTU-38428 | UTU-79011 | |
| UTU-4378 | UTU-53861 | UTU-71694 | |
| UTU-7386 | UTU-58097 | UTU-00576 | |
| UTU-8344A | UTU-64376 | UTU-00647 | |
| UTU-8345 | UTU-65222 | UTU-01470D | |
| UTU-8347 | UTU-65223 | UTU-0136484 | |
| UTU-8621 | UTU-66746 | UTU-8344 | |
| UTU-14646 | UTU-67178 | UTU-8346 | |
| UTU-15855 | UTU-67549 | UTU-8648 | |
| UTU-25880 | UTU-72028 | UTU-28212 | |
| UTU-28213 | UTU-72632 | UTU-30289 | |
| UTU-29535 | UTU-73009 | UTU-31260 | |
| UTU-29797 | UTU-73010 | UTU-33433 | |
| UTU-31736 | UTU-73013 | UTU-34711 | |
| UTU-34350 | UTU-73175 | UTU-46699 | |
| UTU-34705 | UTU-73434 | UTU-78852 | |
| UTU-37116 | UTU-73435 | UTU-78853 | |
| UTU-37355 | UTU-73444 | UTU-78854 | |
| UTU-37573 | UTU-73450 | UTU-075939 | |
| UTU-38261 | UTU-73900 | UTU-0149767 | |
| UTU-39223 | UTU-74409 | UTU-2078 | |
| UTU-40729 | UTU-74410 | UTU-44426 | |
| UTU-40736 | UTU-74413 | UTU-49530 | |
| UTU-42469 | UTU-74414 | UTU-51026 | |

OPERATOR CHANGE WORKSHEET**ROUTING**

| | | |
|--------|--|--------|
| 1. GLH | | 4-KAS |
| 2. CDW | | 5-LP |
| 3. JLT | | 6-FILE |

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X **Merger**The operator of the well(s) listed below has changed, effective: **3-09-2001**

| |
|------------------------------------|
| FROM: (Old Operator): |
| COASTAL OIL & GAS CORPORATION |
| Address: 9 GREENWAY PLAZA STE 2721 |
| |
| HOUSTON, TX 77046-0995 |
| Phone: 1-(713)-418-4635 |
| Account N0230 |
| |

| |
|---|
| TO: (New Operator): |
| EL PASO PRODUCTION OIL & GAS COMPANY |
| Address: 9 GREENWAY PLAZA STE 2721 RM 2975B |
| |
| HOUSTON, TX 77046-0995 |
| Phone: 1-(832)-676-4721 |
| Account N1845 |
| |

CA No.**Unit: NATURAL BUTTES****WELL(S)**

| NAME | API NO | ENTITY NO | SEC TWN RNG | LEASE TYPE | WELL TYPE | WELL STATUS |
|-----------------|--------------|-----------|-------------|------------|-----------|-------------|
| NBU 181 | 43-047-32161 | 2900 | 09-09S-21E | FEDERAL | GW | P |
| NBU 199 | 43-047-32337 | 2900 | 09-09S-21E | FEDERAL | GW | P |
| NBU 201 | 43-047-32364 | 2900 | 09-09S-21E | FEDERAL | GW | P |
| CIGE 198-9-9-21 | 43-047-32799 | 2900 | 09-09S-21E | FEDERAL | GW | P |
| CIGE 232-9-9-21 | 43-047-32836 | 2900 | 09-09S-21E | FEDERAL | GW | DRL |
| NBU 275 | 43-047-32905 | 2900 | 09-09S-21E | FEDERAL | GW | P |
| NBU 352 | 43-047-33922 | 99999 | 09-09S-21E | FEDERAL | GW | APD |
| NBU 103 | 43-047-31956 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 120 | 43-047-31972 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 143 | 43-047-32297 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 321-10E | 43-047-32379 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 352-10E | 43-047-32519 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 252 | 43-047-32800 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 253 | 43-047-32917 | 2900 | 10-09S-21E | FEDERAL | GW | DRL |
| NBU 522-10E | 43-047-33781 | 2900 | 10-09S-21E | FEDERAL | GW | P |
| NBU 182 | 43-047-32162 | 2900 | 11-09S-21E | FEDERAL | GW | P |
| NBU 174 | 43-047-32193 | 2900 | 11-09S-21E | FEDERAL | GW | P |
| NBU 195 | 43-047-32355 | 2900 | 11-09S-21E | FEDERAL | GW | P |
| NBU 400-11E | 43-047-32544 | 2900 | 11-09S-21E | FEDERAL | GW | P |
| NBU 297 | 43-047-33040 | 2900 | 11-09S-21E | FEDERAL | GW | P |

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 07/10/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 07/26/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/26/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEDERAL BOND VERIFICATION:

1. Federal well(s) covered by Bond No.: WY 2793

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: _____

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".

JAN. 17. 2003 3:34PM

TPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:
3106
UTU-25566 et al
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

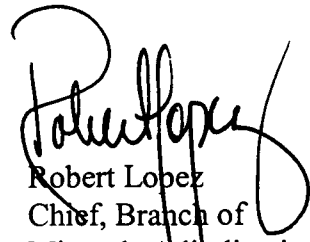
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

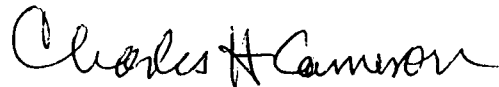
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chronos





IN REPLY REFER TO:
Real Estate Services

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 10 2003

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

ACTING

Director, Office of Trust Responsibilities

Enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.
Attn: Gary D. Williamson
1670 Broadway, Suite 2800
Denver, Colorado 80202

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Natural Buttes Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

8. WELL NAME and NUMBER:

Exhibit "A"

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

9. API NUMBER:

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

City: Houston

STATE TX

ZIP: 77064-0995

PHONE NUMBER:

(832) 676-5933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☒ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND #

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

DATE

12/17/02

(This space for State use only)

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

SUCCESSOR OF
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

Signature



THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH

2. CDW ✓

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

| | |
|--------------------------------------|-------------------------------|
| FROM: (Old Operator): | TO: (New Operator): |
| EL PASO PRODUCTION OIL & GAS COMPANY | WESTPORT OIL & GAS COMPANY LP |
| Address: 9 GREENWAY PLAZA | Address: P O BOX 1148 |
| | |
| HOUSTON, TX 77064-0995 | VERNAL, UT 84078 |
| Phone: 1-(832)-676-5933 | Phone: 1-(435)-781-7023 |
| Account No. N1845 | Account No. N2115 |

CA No.

Unit:

NATURAL BUTTES

WELL(S)

| NAME | SEC TWN RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|-------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| NBU 315 | 11-09S-21E | 43-047-33879 | 2900 | FEDERAL | GW | P |
| NBU 316 | 11-09S-21E | 43-047-34413 | 2900 | FEDERAL | GW | P |
| NBU 400-11E | 11-09S-21E | 43-047-32544 | 2900 | FEDERAL | GW | P |
| NBU 195 | 11-09S-21E | 43-047-32355 | 2900 | FEDERAL | GW | P |
| NBU 182 | 11-09S-21E | 43-047-32162 | 2900 | FEDERAL | GW | P |
| NBU 174 | 11-09S-21E | 43-047-32193 | 2900 | FEDERAL | GW | P |
| NBU 297 | 11-09S-21E | 43-047-33040 | 2900 | FEDERAL | GW | P |
| NBU 56-11B | 11-09S-21E | 43-047-30480 | 2900 | FEDERAL | GW | PA |
| NBU 56-12B | 12-09S-21E | 43-047-30464 | 2900 | FEDERAL | GW | P |
| NBU 63N3 | 12-09S-21E | 43-047-31097 | 2900 | FEDERAL | GW | P |
| NBU 375 | 12-09S-21E | 43-047-34440 | 99999 | FEDERAL | GW | APD |
| NBU 376 | 12-09S-21E | 43-047-34441 | 99999 | FEDERAL | GW | APD |
| NBU 418 | 12-09S-21E | 43-047-34777 | 99999 | FEDERAL | GW | APD |
| CIGE 61-13-9-21 | 13-09S-21E | 43-047-30550 | 2900 | FEDERAL | GW | P |
| CIGE 125-13-9-21 | 13-09S-21E | 43-047-32084 | 2900 | FEDERAL | GW | P |
| CIGE 126-13-9-21 | 13-09S-21E | 43-047-32087 | 2900 | FEDERAL | GW | PA |
| NBU 121 | 13-09S-21E | 43-047-32086 | 2900 | FEDERAL | GW | P |
| NBU 122 | 13-09S-21E | 43-047-32303 | 2900 | FEDERAL | GW | P |
| CIGE 111D-13-9-21 | 13-09S-21E | 43-047-32305 | 2900 | FEDERAL | GW | P |
| CIGE 214-13-9-21 | 13-09S-21E | 43-047-32918 | 2900 | FEDERAL | GW | P |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/11/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/11/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Multiple Wells - see attached

5. Lease Serial No.

Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

891008900A

8. Well Name and No.

Multiple Wells - see attached

9. API Well No.

Multiple Wells - see attached

10. Field and Pool, or Exploratory Area

Natural Buttes Unit

11. County or Parish, State

Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped.

The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

J.T. Conley

Signature

COPY SENT TO OPERATOR

Date:

Initials:

Title

Date:

Date:

Operations Manager

9-2-2003

SEP 10 2003

DIV. OF OIL GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Accepted by the
Utah Division of
Oil, Gas and MiningFederal Approval of This
Action Is Necessary

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Date: 9/16/03

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

| WELL | LEGALS | STFLEASENO | CANUMBER | APINO |
|------------|---------------|------------|------------|------------------|
| NBU 149 | 5-10-22 NESE | UTU01191 | 891008900A | 430473198200S1 |
| NBU 150 | 9-10-22 SENW | UTU01196B | 891008900A | 430473199200S1 |
| NBU 151 | 9-10-22 NWNW | UTU01196B | 891008900A | 430473199100S1 |
| NBU 152 | 9-10-22 SESE | UTU01196D | 891008900A | 430473199000S1 |
| NBU 153 | 11-10-22 SWNW | U01197A | 891008900A | 430473197500S1 |
| NBU 154 | 26-9-21 NWSE | ML22934 | 891008900A | 430473200300S1 ✓ |
| NBU 155 | 31-9-22 SENW | ML23607 | 891008900A | 430473200400S1 ✓ |
| NBU 156 | 35-9-21 SWNW | U01194 | 891008900A | 430473200500S1 ✓ |
| NBU 157 | 32-9-22 SESW | ML22649 | 891008900A | 430473200700S1 ✓ |
| NBU 158 | 27-9-21 NWSE | U01194A | 891008900A | 430473199700S1 ✓ |
| NBU 159SWD | 35-9-21 NESW | U01194 | 891008900A | 430473199600S1 ✓ |
| NBU 161 | 32-9-22 SESE | ML22649 | 891008900A | 430473202300S1 ✓ |
| NBU 162 | 12-10-20 SENW | UTU4478 | 891008900A | 430473206600S1 |
| NBU 163 | 14-10-21 NENW | UTU465 | 891008900A | 430473206900S1 |
| NBU 164 | 3-10-22 NWSE | UTU01191A | 891008900A | 430473205500S1 |
| NBU 165 | 3-10-22 NENW | UTU01191 | 891008900A | 430473205700S1 |
| NBU 166 | 28-9-21 SWSE | U05676 | 891008900A | 430473206500S1 |
| NBU 167 | 25-9-21 SESW | U01194 | 891008900A | 430473205400S1 ✓ |
| NBU 168 | 12-10-20 NWSW | UTU4478 | 891008900A | 430473211700S1 ✓ |
| NBU 169 | 12-10-20 SESW | UTU4478 | 891008900A | 430473211800S1 |
| NBU 170 | 4-10-22 NWNW | UTU01191A | 891008900A | 430473216900S1 |
| NBU 171 | 5-10-22 SENE | UTU01191A | 891008900A | 430473211500S1 |
| NBU 172 | 19-9-22 NENE | UTU0284 | 891008900A | 430473219400S1 |
| NBU 173 | 33-9-22 NWNE | UTU01191A | 891008900A | 430473211600S1 |
| NBU 174 | 11-9-21 NWNW | UTU0141315 | 891008900A | 430473219300S1 |
| NBU 175 | 28-9-21 NENW | U05676 | 891008900A | 430473214300S1 |
| NBU 176 | 28-9-21 SWNW | U05676 | 891008900A | 430473214400S1 |
| NBU 177 | 29-9-21 NESE | UTU0581 | 891008900A | 430473211200S1 |
| NBU 178 | 30-9-21 NWNE | UTU0581 | 891008900A | 430473212100S1 |
| NBU 180 | 10-10-22 SWSE | UTU025187 | 891008900A | 430473211300S1 |
| NBU 181 | 9-9-21 SESW | UTU0576 | 891008900A | 430473216100S1 |
| NBU 182 | 11-9-21 SENW | UTU0141315 | 891008900A | 430473216200S1 |
| NBU 183 | 27-9-21 SWNW | U01194A | 891008900A | 430473212200S1 ✓ |
| NBU 184 | 30-9-22 SESW | U463 | 891008900A | 430473217000S1 |
| NBU 185 | 3-10-22 SWNE | UTU01191A | 891008900A | 430473217100S1 |
| NBU 186 | 30-9-22 SENE | U463 | 891008900A | 430473223300S1 |
| NBU 187 | 34-9-22 SESW | UTU0149077 | 891008900A | 430473223000S1 |
| NBU 188 | 10-10-22 SWSW | U01196C | 891008900A | 430473223400S1 |
| NBU 189 | 23-9-21 SESW | UTU0149075 | 891008900A | 430473223600S1 |
| NBU 190 | 26-9-21 NWNE | U01194 | 891008900A | 430473223200S1 |
| NBU 191 | 15-9-21 SWSW | UTU010950A | 891008900A | 430473229800S1 |
| NBU 192 | 22-9-21 NENW | UTU0147566 | 891008900A | 430473229900S1 |
| NBU 193 | 22-9-21 SWSW | UTU010950A | 891008900A | 430473230000S1 |
| NBU 194 | 22-9-21 NESW | UTU010950A | 891008900A | 430473229600S1 |
| NBU 195 | 11-9-21 NWNE | UTU0141317 | 891008900A | 430473235500S1 |
| NBU 198 | 22-9-21 NWSE | UTU010950A | 891008900A | 430473235700S1 |
| NBU 199 | 9-9-21 SWSW | UTU0576A | 891008900A | 430473233700S1 |
| NBU 200 | 19-9-22 NESE | UTU0284 | 891008900A | 430473235900S1 |
| NBU 201 | 9-9-21 SWNW | UTU0149767 | 891008900A | 430473236400S1 |
| NBU 202 | 8-9-21 NENE | UTU0149767 | 891008900A | 430473233800S1 |
| NBU 204 | 9-10-22 NWNE | UTU01196D | 891008900A | 430473234200S1 |
| NBU 206 | 10-10-22 SWNW | U01196C | 891008900A | 430473234100S1 |
| NBU 207 | 10-10-22 NENW | UTU69129 | 891008900A | 430473232900S1 ✓ |
| NBU 208 | 4-10-22 SESE | UTU01191 | 891008900A | 430473234300S1 |
| NBU 209 | 3-10-22 SWSW | UTU01191 | 891008900A | 430473234500S1 |
| NBU 210 | 10-10-22 NESW | U01196C | 891008900A | 430473234000S1 |
| NBU 211 | 1-10-21 NWSW | U02842B | 891008900A | 430473233900S1 |
| NBU 212 | 24-10-20 NENW | UTU4485 | 891008900A | 430473239900S1 |
| NBU 213 | 15-10-22 NWNW | UTU025187 | 891008900A | 430473240100S1 |
| NBU 214 | 27-9-21 NWSW | U01194 | 891008900A | 430473246600S1 ✓ |
| NBU 215 | 12-10-21 NWNW | UTU01190 | 891008900A | 430473247100S1 |
| NBU 216 | 15-9-21 NESW | UTU010950A | 891008900A | 430473248700S1 |

Westport Oil & Gas, L.P.

Project Economics Worksheet

Instructions:

Fill in blue lines with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

Is this job a well pull or production rig job ??? ☐ N (Y or N)

| | BEFORE \$/Year | AFTER \$/Year | DIFFERENCE \$/Year |
|-------------------------|-------------------|------------------|------------------------------|
| Gross Oil Revenue | \$1,088 | \$1,099 | \$11 |
| Gross Gas Revenue | \$0 | \$0 | \$0 |
| NGL Revenue | \$0 | \$0 | \$0 |
| PULLING UNIT SERVICE | | | \$0 |
| WIRELINE SERVICE | | | \$0 |
| SUBSURF EQUIP REPAIRS | | | \$0 |
| COMPANY LABOR | | | \$0 |
| CONTRACT LABOR | \$0 | \$200 | \$200 |
| CONTR SERVICE | | | \$0 |
| LEASE FUEL GAS | \$0 | \$0 | \$0 |
| UTILITIES - ELECTRICITY | \$0 | \$0 | \$0 |
| CHEMICAL TREATING | | | \$0 |
| MATERIAL & SUPPLY | \$0 | \$150 | \$150 |
| WATER & HAULING | | | \$0 |
| ADMINISTRATIVE COSTS | | | \$0 |
| GAS PLANT PROCESSING | | | \$0 |
| Totals | \$0 | \$350 | \$350 Increased OPX Per Year |

Investment Breakdown:

| | Cap/Exp Code | Cost, \$ |
|------------|-----------------|----------|
| Capital \$ | 820/830/840 | \$1,200 |
| Expense \$ | 830/860 | \$0 |
| Total \$ | | \$1,200 |

| | | |
|---------------|----------|--------------|
| Oil Price | \$ 23.00 | \$/BO |
| Gas Price | \$ 3.10 | \$/MCF |
| Electric Cost | \$ - | \$/ HP / day |
| OPX/BF | \$ 2.00 | \$/BF |
| OPX/MCF | \$ 0.62 | \$/MCF |

Production & OPX Detail:

| | Before | | After | | Difference |
|-----------------|--------|-------|-------|-------|------------|
| Oil Production | 0.192 | BOPD | 0.194 | BOPD | 0.002 BOPD |
| Gas Production | 0 | MCFPD | 0 | MCFPD | 0 MCFPD |
| Wtr Production | 0 | BWPD | 0 | BWPD | 0 BWPD |
| Horse Power | | HP | | HP | 0 HP |
| Fuel Gas Burned | | MCFPD | | MCFPD | 0 MCFPD |

Project Life:

Life = 20.0 Years
(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR = #DIV/0!

AT Cum Cashflow:

Operating Cashflow = (\$2,917) (Discounted @ 10%)

Payout Calculation:

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

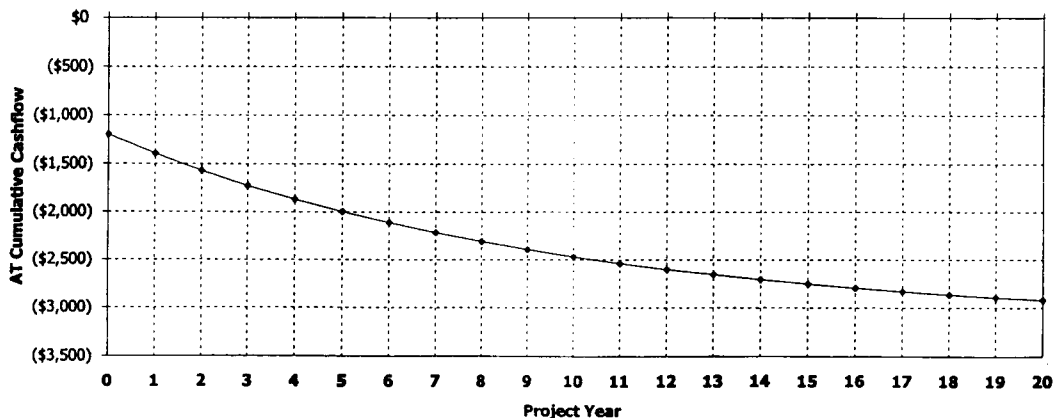
Gross Reserves:

Oil Reserves = 6 BO
Gas Reserves = 0 MCF
Gas Equiv Reserves = 38 MCFE

Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.**NBU/Ouray Field**

RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

| Flash Conditions | | Gas/Oil Ratio (scf/STbbl) (A) | Specific Gravity of Flashed Gas (Air=1.000) | Separator Volume Factor (B) | Separator Volume Percent (C) |
|------------------|----|---------------------------------------|---|--------------------------------------|---------------------------------------|
| psig | °F | | | | |

Calculated at Laboratory Flash Conditions

| | | | | | |
|----|-----|------|-------|-------|---------|
| 80 | 70 | | | 1.019 | |
| 0 | 122 | 30.4 | 0.993 | 1.033 | 101.37% |
| 0 | 60 | 0.0 | — | 1.000 | 98.14% |

Calculated Flash with Backpressure using Tuned EOS

| | | | | | |
|--------|----|------|-------|-------|--------|
| 80 | 70 | | | 1.015 | |
| 6.0 oz | 65 | 24.6 | 0.777 | 1.003 | 98.82% |
| 0 | 60 | 0.0 | — | 1.000 | 98.52% |
| 80 | 70 | | | 1.015 | |
| 4.0 oz | 65 | 24.7 | 0.778 | 1.003 | 98.82% |
| 0 | 60 | 0.0 | — | 1.000 | 98.52% |
| 80 | 70 | | | 1.015 | |
| 2.0 oz | 65 | 24.7 | 0.779 | 1.003 | 98.82% |
| 0 | 60 | 0.0 | — | 1.000 | 98.52% |
| 80 | 70 | | | 1.015 | |
| 0 | 65 | 24.8 | 0.780 | 1.003 | 98.82% |
| 0 | 60 | 0.0 | — | 1.000 | 98.52% |

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):

N2115-Westport Oil & Gas Co., LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

TO: (New Operator):

N2995-Kerr-McGee Oil & Gas Onshore, LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

| CA No. | | Unit: | | NATURAL BUTTES UNIT | | | | |
|-----------|-----|-------|-----|---------------------|-----------|------------|-----------|-------------|
| WELL NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **CHANGE OF OPERATOR**

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005237

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :
1999 Broadway, Suite 3700 : Oil & Gas
Denver, CO 80202 :

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell
Martha L. Maxwell
Land Law Examiner
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare
Dave Mascarenas
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERALS